BUSINESS PLAN

COMP 1635 – Professionalism in IT

Word Count: 3716

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Executive Summary

The business is an application on Android and Apple called "trail" to initially resolving the "whole package" whilst planning an event, cycling, tourists attractions. The application allows customers to pinpoint the nearest events, or attractions. The following business plan gives a deep analysis on how the business is going to plan to develop our application, the structure of the team, a detailed financial forecast over the next 3 years, SWOT analysis and the competitors of the business. This seems as though it feels a good idea, because of the unique idea of merging the pinpoint events and the trails of the cycling. The estimation of the cost is around £60,000 with the income of £67000. In addition, the expectation of the cost of this app is for the budget to be intact.

Product Description

Our product is an application that allows the end-user to find particular activities near them and based on the activity chosen the user will be able to purchase items related to it. Once the user has downloaded the application and runs it, he will be asked to choose a type of activity, based on this activity the application will show different information. If the user has selected hiking, the application will display nearby routes that the user can explore and on the side, there will be a basket icon. When pressed this icon will open the store, this will then display all the items related to the (hiking) activity. This could then be sorted depending if the user is looking for anything in specific or not. The same process will happen to cycling, however in the routes there will be a second option where the user has to choose between roads or off-road, depending on the choice it will display different routes as well as the difficulty in each left by other users. In addition, the option at the store will vary in terms of bicycles and equipment.

As far as the other two activities (tourist attraction and events), there will not be a store associated with those since there is not much to sell for those types of activities. However, in the events activity tab the user will be able to purchase tickets if needed in order to take part in the event. Otherwise, it will display inessential information as soon as the user clicks on it. Finally, in the tourist attraction tab, the application will show all the main attractions near the user location that can either be set by entering the location name or using the GPS signal, this will be displayed on the map and if the user clicks on it, it will display further information about the attraction. This application will benefit any user that is looking for activities or wants to discover an area. It is a very simple and free application that keeps the user up-to-date with local events as well as keeping them aware of their surroundings. The user will be able to communicate with each other by leaving reviews based on their experience with the trails indicated by the application.

Company Information/Management Team

We came up with the idea of creating a trail app to aim at tourists. The idea came about when we all were discussing business ideas as a group and we chose what we do in our free time. Steven, one of our group member, suggested mountain biking that allows customers to identify any near spots to ride bikes and tells them where to go. We all thought the idea was generic and we continued with the idea and developed it further. Each member has a different role to take with the business. Each title is shown below are departments that shows the team members and the tasks set within the business. Each title given to each member is a rough estimate to what they were going to be doing soon. Later on in the business, people will be working under these employees. Bullet points shown below is the various key skills that each team member.

Usman, Manager

On a day-to-day basis, the responsibility the role that this member will carry is to ensure the rest of the staff ensure that the rest of the employees working under this department is carried out properly. Being able to discuss with any other departments. For example, Ahmad to discuss any what stock is needed for delivery. Any complaints are responsible with the manager and expected to deal with and to take action to solve the problems.

- ❖ Adapt and work well with others
- ❖ Manage conflicts such as customer complaints
- ❖ Managing time effectively
- ❖ Leading a team effectively

Steven, Head of IT & Human Resources

On a day-to-day basis, the responsibility for this role are to deal with any enquiries that come through to the business and any enquiries that are coming through in the business. Maintaining the application and discovering any bugs. To be able to deal with any troubles that the customers are facing with the application. Another important factor is to be able to deal with the recruitment of any employees that are needed for the departments.

- ❖ Having to work under pressure in a fast-paced environment
- ❖ Being able to meet deadlines that are set
- ❖ Adapt well with others and work effectively in a team

Ahmad, Head of Sales and Marketing

On *day-to-day* basis, the responsibility the role that this member will carry is to ensure managers are leading and mentoring their respective teams appropriately. Analysis of sales constantly. Ensuring company is up-to-date with the market to be more competitive. Ensuring and overseeing a large amount of other managers are doing their job correctly. Forming new strategies to keep company up-to-date. Most importantly to ensure sales are increasing by the new system in place. Ensuring that strategies are put in place for customer satisfaction to be priority. Try to attract new customers from different ages and backgrounds.

- ❖ Adapt well with others and work effectively in a team
- ❖ Having a strategy
- ❖ Managing time effectively
- ❖ Judging accurately
- ❖ Clarifying goals and delegates well

Zuber, Head of Finance

On a *day-to-day* basis, the responsibility the role that this member will carry out is all of the financial structure in the company. This goes from employees being paid to purchasing all the products that have been discussed by fellow colleagues. Budget guidelines need to be put in place to cut costs and save money in whatever is run. Managing a cash flow and keeping it updated to what the expenditure and income is for the company.

- ❖ Deliver on time
- ❖ Leading a team effectively
- ❖ Good decision making
- ❖ Searching out errors and omissions

On a more of a general term for all employees, any team member that is free, or is not doing much, is expected to help other employees out during a day-to-day. This is a company policy and must be followed by all employees. This is to get more work done and less work pilling up. Each role is given carefully by analysing each members' team roles by **Belbin's Team Player**, which was complete as part of the logbook. Referring to Figure 1, it shows how our structure is going to look like in the future.
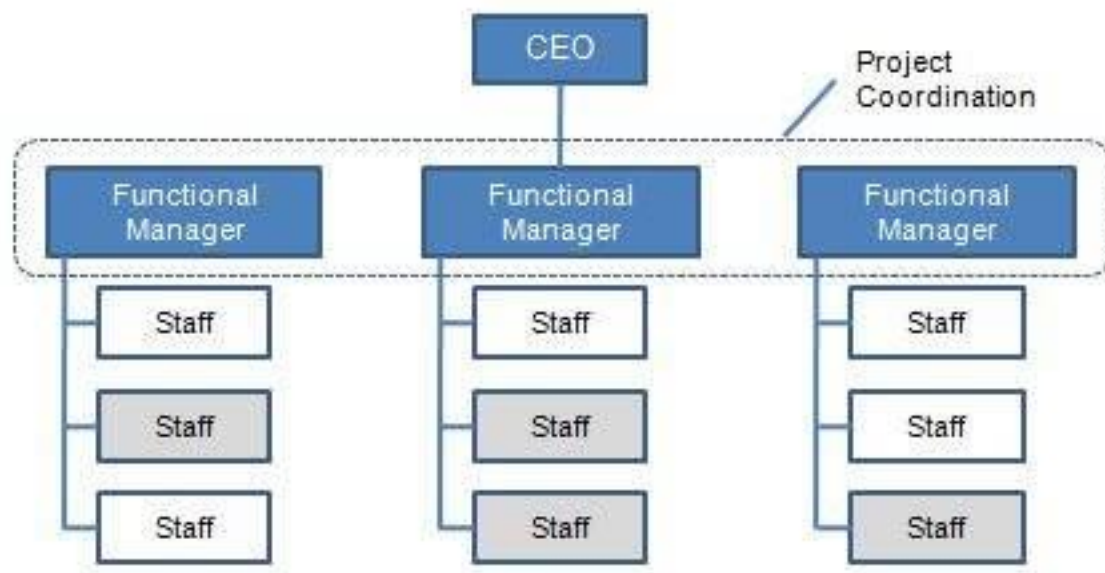
Figure 1 - shows how our organisation is roughly going to be soon

Environmental Analysis

For this, I am going to be using SWOT.

Strengths

- Provides customer's online platform to purchase items, check for events and tourist centres online efficiently, and get items ordered delivered within five working days.

- **Covey's data to extensive variety of individuals**: the online platform enables wide range of people to be able to find location of events and tourist attraction areas, which provides very effective communication between the system and the public.

- **Caters products for males, females furthermore kids**: the company provides products for male, female, kid; so it attracts customers of flexible age group.

- **Sales**: This is another medium that boosts or drags more attention for the company brings more customers and provides product at a very cheap and affordable prices.

Weaknesses

- **Only operates in the UK**: This being so, it makes it only useful to people that live or visits the UK, people who are outside the UK would love to access this company but due to the non-flexibility of the system access would be denied. Furthermore, it would limit the number of customers, as it would be almost only important within the UK.

- **Has no On-Street presence:** This simply signifies that the company has no shops where a customer can walk in to check for product and purchase a product of his choice or rather make visual enquiries about a particular product, event or place. Many customers would love to have a very practical knowledge of the product they are interested in, but unfortunately, this platform only allows online access. This could make many people to withdraw interest in the company.

- **Flexible delivery system:** This company does not have a standard delivery system; rather they hire delivery personnel whenever there is an order to deliver. The effect of hiring delivery personnel is that the delivery personnel might not always be available which may cause major delays in delivering already ordered products.

Opportunities

- **Expanding the brand to other European countries:** There is a very high possibility that the company might extend it services to other European Countries, there by expanding the business to gain more income as well as customers.

- **Provision of new products and services:** This company will be providing their customers with new products and efficient and improved services, which will attract new customers and ensure loyalty between the customers and the company.

- **Establishment of products:** This company will be able to start making their own products to sell to the public thereby enlarging the business and increase the company's income.

- **Provision of variety of products:** The expansive number of administrations and exercises offered inside the stores (climbing dividers, cycle adjusting, and hiking equipment) implies that clients keep on being motivated to visit them.
  This will end up being an inexorably vital edge to have in the advanced age.

Threats

- **Potential competitors:** The competitor to every company is the major threat because they have the potentials to take away customers for their rivals. For example, our main competitor is FOXRacing (UK). One problem that they can compete with us is quality over prices.

- Establishment of advanced technology by other competitors due to massive tourism in the region.

- **Changes in price:** Changes in price especially from lower to higher rates causes instability in customers.

Competitor Analysis

The three competitors are FOXRacing, Giant and Boardman. Fashion needs everybody to be an athlete, or possibly dress like one. This section will discuss one of our business competitors and the advantage we have over them, the company to be discussed is Fox Racing. FOXRacing makes and circulates motocross and other extraordinary game attire, embellishments, and defensive apparatus, for example, race wear pants, pullovers, gloves, boots, and caps, decorated with its fox head realistic logo. The organization additionally offers bike motocross (BMX) and mountain bicycle clothing, T-shirts, caps, pants, hoodies and pullovers, and coats. Line augmentations incorporate eyewear, footwear, and surf and wakeboard wear. The company also offers its attire through retail wearing merchandise and cycle and surf shops across the country. According to Hoovers (Hoovers, 2015), workplaces are situated in Canada and the UK. Established in 1974 by Geoff Fox, the organization is family-claimed and keep running by its second era.

However, some of the services that our company provide that FOXRacing, Giant and Boardman do not provide their customers are; loyalty schemes, which secure our customers buy buying their loyalty. Furthermore, our company's application provides special services such as showing events in various cities with the UK give information about the events and help in locating where the event will take place. This trail application also shows tourist attraction areas and how to go about locating them. This trial application is also free to be used by the public, we also provide cheaper products and services which another huge advantage that will bring in more customers for our business and draw public attention to the business.

Target Audience

The target market for this type of service would be aimed for both genders who are aged 20 and above this would be efficient as it would allow young and older generations to purchase certain equipment's from the app whether they are cycling or hiking. This would be recommended, as many different customers would value the app system, which will be quite easy to navigate through and is a new way of getting different equipment's for specific activities. Also this app would be provided to people who are outgoing and look for an adventure, mostly hiking would be based for 20+ as most recent based results determine that people aged ranged would like to test themselves as it says "fastest-growing segment of membership is among those aged 20-30" (walkingandhiking.co.uk, 2016). This would allow people who may live in the countryside or in some urban areas to purchase equipment's from the app and see what would be most convenient.

Moreover, cycling is around 18+ that would provide the basic clothing and equipment for people who may want to cycle through rough terrains, the app would have the essential that would be cheap, so customers would have appropriate facilities to allow them to enjoy cycling. Therefore, this would have an impact on them, as their typical lifestyle would be one of the activities the app will provide and having the right equipment; it would enable them to make sure they keep on doing what they like, whether it is cycling, hiking or others.

Even so, the trail app would be divided into different segments where they will be hiking, cycling, tourism and events. It would be an online retailer where our organisation would sell it products to customers who may want any of the goods from the business. It would be an online retailer, as it would have a large market size as most consumers get shopping from an online store that makes it a great way of selling profitable equipment's for a regular buyer. In addition, we are a unique company that sells outdoor activities and provide goods for tourist who may want to sight see in a specific location, so they would need a travel map on their phones, the organisation would organise events for the tourist to visit the specified location. The organisation would be scalable as it would purchase goods from a cheap price that can then be sold a bit more than how much we got it for to gain profit and the online app would enable ongoing customers to see what's in store and purchase it through the app to get the sufficient equipment for their activity. The app would contain the maps of different locations for the events and tourist places where they are able to see, which areas are possible to certain activities the trails are.

Marketing Plan

There is a number of different ways that our business will be marketing the company. Most of the income will come from products that we will sell, these being from our suppliers. However, at the beginning, we will advertise free all the events that takes place within the UK and it will be displayed to the users that are nearby those events. If the tickets are required then the user will be redirected to the event official website, but further down the line, we will start charging companies to advertise their events in our application or ask for a cut in the tickets bought through the application. In addition, we will have a donation page, where the user is able to donate any amount through PayPal, which will help the development of the application.

There is a number of different ways that we will be advertising this application; it will mainly consist of reaching out to bloggers/people that show interest in this type of application. Also, we will be sharing our content throughout Twitter, Facebook, Google+ and LinkedIn profiles by making our own pages within it and advertise all of our products, and to add on to it, we will be creating a product video that will highlight most of the features in the application which results in the end-user gaining more interest.

This application will differentiate from any other application since it performs tasks that my colleagues and myself have not witnessed in any other application. This being said, I think this will attract a big audience if it gets the right publicity, so we have to invest most of our income in marketing in order to get more, once the word is spread, then look into how to further develop the application as well as increasing our range of products. Most of our products will be acquired from supplier that are no longer selling those products on their stores/online store, so our store will run like an outlet store, we buy the items for less than what they are worth and sell them the right price. These can then be changed for promotions, special deals and bundles.

Another factor that will make this application so unique is the fact that the users will be able to communicate with each other and letting others know their experience on the type of activity, they have taken part. By allowing users to communicate with each other and allowing them to share their ideas, the end-users will have a better understanding on what they will be attending. Therefore, they will be prepared for any occurrences.

Finally, we do not expect that this application will be a success overnight but you will definitely see a progress over the first few weeks. A major part of this program is based on the user, especially for further improvement where we are thinking on reviewing user's trails recommendations for hiking and cycling, this way we can expand our routes so that other users can make the most out of them as well.

Financial Projection

Detailed Cash Flow

Month:	January	February	March	April	May	June	July	August	September	October	November	December
Cash Income												
Investments	£25,000	0	0	0	0	0	0	0	0	0	0	0
Income	£1,000	£1,200	£1,900	£1,500	£1,300	£2,000	£3,000	£3,000	£3,500	£3,500	£4,500	£5,000
Sale of Assets	0	0	0	0	0	0	0	0	0	0	0	£100
Other Amounts	£10,000	0	0	0	0	0	0	0	0	0	0	0
Total Income:	£36,000	£1,200	£1,900	£1,500	£1,300	£2,000	£3,000	£3,000	£3,500	£3,500	£4,500	£5,100
Cash Expenditure												
Loan Repayment	£400	£400	£400	£400	£400	£400	£400	£400	£400	£400	£400	£400
Electricity/Gas/Water/Any Bills	£500	£500	£500	£500	£500	£500	£500	£500	£500	£500	£500	£500
Advertising	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200
Car Expenses	£300	£300	£300	£300	£300	£300	£300	£300	£300	£300	£300	£300
Equipment	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500
Stock	£3,000	£1,000	£1,000	£3,000	£3,500	£4,000	£2,000	£2,000	0	0	£1,000	£2,000
Other costs	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200
Total Outcome:	£6,100	£4,100	£4,100	£6,100	£6,600	£7,100	£5,100	£5,100	£3,100	£3,100	£4,100	£5,100
Net Spend:	£29,900	-£2,900	-£2,200	-£4,600	-£5,300	-£5,100	-£2,100	-£2,100	£400	£400	£400	£0
Open Balance:	0	£29,900	£27,000	£24,800	20200	14900	9800	7700	5600	6000	6400	6800
Close Balance:	£29,900	£27,000	£24,800	£20,200	£14,900	£9,800	£7,700	£5,600	£6,000	£6,400	£6,800	£6,800

Cash Flow Forecast

Month:	2016-2017	2017-2018	2018-2019
Cash Income			
Investments	£25,000	£0	£0
Income	**£31,400**	**£40,594**	**£45,594**
Sale of Assets	£100	£10,000	£9,543
Other Amounts	£10,000	£1,000	£2,000
Total Income:	£66,500	£51,594	£57,137
Cash Expenditure			
Loan Repayment	£4,800	£4,800	£4,800
Electricity/Gas/Water/Any Bills	£6,000	£6,000	£6,000
Advertising	£2,400	£4,000	£6,000
Car Expenses	£3,600	£3,600	£3,600
Equipment	£18,000	£30,000	£30,000
Stock	£2,400	£2,400	£2,400
Other costs	£0	£0	£0
Total Outcome:	£37,200	£50,800	£52,800
Net Spend:	£29,300	£794	£4,337

As you can see the table above shows, the cash forecast over the next three years. We feel that these figures would turn over is estimated to £57,137 in the third year. These figures are expected to rise, because of the amount of spending we are expected to do on advertising the company. In addition, I felt that the sales increase, because of the amount of assets we can sell. We can sell these items to other interested companies that are interested. This amount increases as soon as other companies know that we are around. In total over the three years, the net profit is estimated to £6,800.

Stock Prices

Name of Product/Services	Estimated Price Purchased	Price (£) for 1
Shorts (Black and Navy)	200 for £12.50	£15.00
Plain Shirts (All Colours)	200 for £5	£5.00
Mixed Shoes (Shoes and Trainers)	£400 for 100 shoes	£25.99
Water Bottles	£2.52	£3.99
Bag Packs (Different Colours)	£11 – 13	£40.00
Sleeping Bags	£9.99	£12.99
Tents	£25.00	£50
Books	£1.00	£2.00
Pencils	£0.50	£1.00
Flashlights	£0.48	£2.00
GPS Units	£4.99	£10.99
Bicycles	£20.00	£40.00
Goggles	£55.00	£90.00
Delivery	-	£4.00
Gloves	£12.00	£18.00

The rough estimate prices are stock that can be purchased in bulks. These makes it much cheaper and we can contact the suppliers to negotiate an even better rate, but these figures are an estimate shown. We can also contact Argos for any bulk buys to make things cheaper (Argos, 2017). These equipment shown above are a rough estimate of how much we are going to be getting these products for and how much we are going to be selling each one for. More products are available as soon as the demand increases. Decisions are always been put in place of new products being put through. Any item brought with this has a rate of £4.00 in excess to charge for delivery.

Discounts

Discounts and special deals are always put in place. For example, any staff that intends to purchase any product, they will get staff discount of 20%, but delivery charges still apply. Boxing Day sales are in place as any amounts that we feel we need to get sale off, it gets half price of it. For example, if we have 200 shirts in place and no sales are coming through for this. A special deal can be put in place for this to go for £7.50 each with free delivery. On a general term, discounts are always negotiable. We can always put sales by negotiating with other departments in the trail app company.

Comparing Prices

Referring to Figure 2 and Figure 3, these demonstrates, from the FOXs and DirtBikeExpress, the prices they sell their items for and how much we sell our items. We sell our items over roughly over £85 and our prices are shown above of £90. As you can see, there is a huge difference in pricing over both products. We can promote this to customers to show to customers how cheaper we are to our competitors. Making the prices correct is a huge deal for customers and making it cheaper than the competitors is an important.

Libra Air Defence Goggle

£ 85.00

Figure 2 shows prices for competitors, (FOXRacing, 2017).

Podium Gel Long Finger Glove

£24.99

Figure 3 shows the competitors' prices for gloves, (Giant, 2017).

Reflection

As a group, I felt that we worked together effectively. One of the strengths we had, as a group is that there was no arguments, or disagreements with the work; there was no lack of commitment in terms of completing the work. We all worked to the goal and everyone did his or her own part. We split each section as shown in the task description below. However, I felt that Ahmad was late to group meetings we had planned in the library. We had to wait discuss some stuff and we had to discuss it for Ahmad, because of his lateness.

I felt that we could have taken a different approach to this coursework. I felt that we all could have completed this all individually about the same idea. Once we all did this, we can discuss which one is the best out of the four and taken out individual sections that we felt is the best and put it all in one.

The improvements I could have improved on is held more group meetings. During this time, we only held two meetings and I felt that discussing the business in more detail as a group would bring out more ideas to the business. Whilst having more meetings, this could have enabled us to discuss the company in even more depth. An improvement I could have made is making sure the group knows what to do. We all split the tasks, but in between, we did not remind ourselves of the business plan.

	Team Performa: Trail					
	Registration Number	Surname	Forename	% Contribution (Out of 100)	Team Description	Notes
Student 1	000876201	Lemos	Steven Freitas	25%	Marketing plan/ Product Description	-
Student 2	000883329	Miah	Mohammed Zuber	25%	Target Audience	-
Student 3	000859721	Dabai	Ahmed Bello	25%	Environmental Analysis	-
Student 4	000874782	Basharat	Usman	25%	Financial projections/Company Information/ management team/Executive Summary /Cover Page/Table of Content/Appendix	-

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Appendix

Company Information
Business Name: Trial
Cost of App: FREE
Delivery Driver – Flexible contract

Activities:
- Hiking
- Cycling
- Tourist attraction
- Events

Belbin's Team Player
Usman:
- Implementer
- Complete Finisher
- Co-ordinator

Zuber:
- Team Worker
- Complete Finisher

Steven:
- Co-ordinator
- Sharper

Ahmed
- Co-ordinator
- Team Worker, Monitor

Word Count: 3716

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