

University of Wales Trinity Saint David

Evaluation Report:

“VRvoyage”

Module: Entrepreneurship LCBB5001

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Why “VRvoyage”?

The “VRvoyage” business idea, a venture into the world of virtual reality travel concierge services, stands out for its innovative approach in an increasingly tech-driven market. This concept taps into the burgeoning interest in virtual experiences, aligning perfectly with the current technological trends and societal shifts, especially those emphasizing remote accessibility and digital solutions.

At its core, “VRvoyage” is a response to a clear market gap: the demand for immersive, accessible travel experiences that bridge the gap between desire and feasibility. In the context of global challenges like health crises or environmental concerns, this virtual approach to travel offers a sustainable alternative, minimizing the carbon footprint associated with traditional tourism. This aspect of the business is not only an innovative leap but also a testament to a growing consciousness towards responsible and sustainable business practices (Newman et al., 2019).

The business idea does, however, involve considerable risks. Venturing into a relatively new and untested market segment comes with uncertainties, particularly regarding technology adoption and market acceptance. The virtual travel industry is still in its nascent stages, and educating the market and encouraging widespread adoption of this new mode of travel will require strategic marketing and robust customer engagement. However, the potential rewards in a market ripe for digital transformation are significant, offering an exciting opportunity for growth and impact.

Success in this venture will rely heavily on the team’s ability to exhibit key entrepreneurial traits – particularly adaptability and resilience. As “VRvoyage” navigates the initial resistance or technological challenges that are common in new market segments, the ability to adapt and pivot strategies will be crucial. Furthermore, the resilience to withstand and learn from early setbacks will determine the long-term sustainability and success of the business.

The motivation behind “VRvoyage” is multi-faceted. A passion for combining cutting-edge technology with the universal allure of travel is a driving force. This innovative amalgamation is not just about opening new business avenues; it's about redefining how travel experiences are consumed and perceived. Furthermore, the entrepreneurial drive is fuelled by the prospect of filling a significant market gap, offering a novel service that has the potential to transform the travel industry. The idea of leading a business that not only profits but also contributes positively to environmental sustainability adds a layer of purpose and responsibility to the entrepreneurial journey.

Five entrepreneurship skills, traits, and behaviour for successful business:

1. Innovative Mindset:

- **Explanation:** An innovative mindset in entrepreneurship refers to the ability to think creatively, envision new solutions, and approach problems in unconventional ways. Entrepreneurs with this trait often challenge the status quo, disrupt existing markets, and create value through novel ideas (Chaffey and Ellis-Chadwick, 2019).
- **Example:** Consider Steve Jobs, the co-founder of Apple. He revolutionized multiple industries, from personal computing with the Macintosh to mobile phones with the iPhone, and even animated movies with Pixar. His ability to foresee and create what consumers didn't yet know they wanted is a hallmark of an innovative mindset.

2. Risk-Taking Ability:

- **Explanation:** Risk-taking in entrepreneurship involves making decisions that have uncertain outcomes. This trait is about embracing uncertainty and seeing potential where others see obstacles. Successful entrepreneurs understand that taking calculated risks can lead to significant rewards (Sarasvathy et al., 2018).
- **Example:** Elon Musk's career is a testament to high-stakes risk-taking. When he invested in and took the helm of Tesla, electric cars were not mainstream. His decision to push forward in an unproven market has significantly impacted the automotive industry.

3. Adaptability and Flexibility:

- **Explanation:** Adaptability and flexibility are about being open to change and able to pivot strategies as circumstances evolve. This skill is crucial in the fast-paced business world where market dynamics, consumer preferences, and technology are constantly changing (Brigham and Ehrhardt, 2017).
- **Example:** Airbnb, led by CEO Brian Chesky, showcased adaptability by shifting its business strategy during the COVID-19 pandemic. As travel halted, Airbnb swiftly pivoted to promote local and longer-term stays, adapting to the changing travel patterns.

4. Resilience and Perseverance:

- **Explanation:** Resilience is the capacity to recover quickly from difficulties, while perseverance is the continued effort to achieve despite challenges. Entrepreneurs often face setbacks and failures, and these traits are essential for pushing through adversity (Bullough, Renko, and Myatt, 2019).
- **Example:** J.K. Rowling's journey before publishing the Harry Potter series exemplifies resilience and perseverance. Her manuscript was rejected multiple times, yet she persisted, eventually leading to the creation of a globally successful franchise.

5. Leadership and People Management:

- **Explanation:** Effective leadership and people management involve guiding, inspiring, and motivating a team towards a common goal. This skill is crucial for building a positive company culture, driving innovation, and achieving business objectives (Day and Antonakis, 2020).
- **Example:** Indra Nooyi, former CEO of PepsiCo, is renowned for her leadership style. She focused on employee welfare and steered PepsiCo towards healthier products. Her people-centric approach and vision led to substantial growth and a loyal, productive workforce.

Each of these traits plays a vital role in the journey of an entrepreneur. Innovation drives change, risk-taking fosters growth, adaptability ensures relevance, resilience maintains progress, and leadership binds teams and guides success. In the dynamic landscape of business, these qualities are not just beneficial but necessary for enduring success.

SWOT Analysis and personal skill audit

SKILLS I HAVE	EXAMPLE
Creativity	It allows me to see things in new ways and find unique solutions to problems.
Resilience	I proposed the idea of serving espresso beverages at my local shop, which was then just a coffee bean store, I was turned down by the owners. Instead of giving up, I persisted with his idea, later acquiring the shop and transforming it into coffeehouse.
SKILLS I'D LIKE TO IMPROVE	HOW? EXAMPLE?
Financial Management	I will take an online course in accounting or use financial management software to track and analyse their business's financial health.
Digital Marketing	I can take advantage of online courses, webinars, or even YouTube tutorials to understand SEO, social media marketing, and content marketing.

SWOT

Strengths	Weaknesses	Opportunities	Threats
1. Innovative Service Offering: VRvoyage offers a unique and immersive travel experience through virtual reality, distinguishing it from traditional travel services.	1. Market Familiarity: VR technology in travel is relatively new, and market adoption may be slow due to lack of familiarity or skepticism.	1. Growing VR Market: The VR industry is expanding, with increasing acceptance and interest in VR applications.	1. Technological Advancements: Rapid changes in technology could render current VR systems quickly outdated.
2. Advanced Technology Use: Utilizing cutting-edge VR technology positions VRvoyage at the forefront of modern travel experiences.	2. High Initial Investment: Developing advanced VR technology and content can be capital-intensive.	2. Partnership Potential: Opportunities to partner with travel agencies, educational institutions, and entertainment businesses.	2. Competition: Potential for new entrants or existing travel companies venturing into VR-based services.
3. Customization Capabilities: Ability to offer personalized travel experiences tailored to individual preferences.	3. Technology Dependence : Reliance on VR technology means that any technical issues can significantly impact the service.	3. Remote Experience Demand: Rising demand for remote and safe travel alternatives, especially post-pandemic.	3. Market Volatility: The travel industry is subject to economic, political, and social fluctuations.

4. Reduced Physical Constraints: Enables travel experiences without the limitations of physical, financial, or time constraints.	4. Limited Target Market: Initially may appeal to a niche market, primarily tech-savvy individuals or early adopters.	4. Market Expansion: Potential to expand to various segments like education, adventure, and cultural experiences.	4. Cybersecurity Risks: As a technology-based service, there's a risk of data breaches and cyber-attacks.
5. Experienced Management Team: A strong team with expertise in technology, travel, and customer service.	5. Operational Complexity: Managing the technological and logistical aspects of VR travel experiences can be complex.	5. Sustainability Trend: Aligns with growing interest in sustainable travel options.	5. Consumer Preferences: Risk that consumers may prefer physical travel over virtual experiences.

Current PEST analysis of the UK

Political Factors:

1. **Government Policies:** The UK's political environment is stable but has undergone changes due to Brexit. It's essential to understand new trade policies, regulations regarding technology and tourism, and any changes in business laws.
2. **Taxation and Incentives:** Investigate the tax structure and any incentives for tech start-ups or the tourism industry.
3. **Data Protection Laws:** Post-Brexit adjustments to GDPR and other data protection regulations are crucial for any tech-oriented business.

Economic Factors:

1. **Economic Stability:** The UK has a stable economy, but it's essential to consider the post-Brexit implications and the economic recovery post-COVID-19.

2. **Consumer Spending:** Understand current trends in consumer spending, particularly in technology and travel sectors.
3. **Investment Climate:** The UK, especially London, has a vibrant investment scene for start-ups. Research availability of venture capital, government grants, and other funding opportunities.

Social Factors:

1. **Demographic Trends:** Consider the demographics most likely to engage with VR technology – typically younger, tech-savvy audiences.
2. **Cultural Attitudes:** Assess the public perception and openness towards virtual reality and virtual travel experiences.
3. **Lifestyle Changes:** The pandemic has altered lifestyles, potentially increasing interest in virtual travel as a safer alternative.

Technological Factors:

1. **Tech Adoption:** The UK is known for its high rate of technology adoption among consumers, which could be beneficial for “VRvoyage”.
2. **Innovation and Research:** Look into the UK’s focus on technological innovation and research, which could provide opportunities for collaboration.
3. **Internet Infrastructure:** High-speed internet availability and the rollout of 5G networks can significantly impact the VR experience.

“VRvoyage”-Specific Considerations:

- **Competitive Landscape:** Analyse competitors in the virtual reality and travel sectors, identifying any direct or indirect competitors.
- **Market Size and Growth:** Assess the size and growth projections of the VR market in the UK, especially in the context of travel and leisure.
- **Customer Preferences:** Conduct surveys or focus groups to understand the UK market’s preferences regarding virtual travel.
- For “VRvoyage”, the UK presents a promising market with its technological advancement, economic stability, and positive attitude towards innovation. However, challenges such as adapting to post-Brexit regulations, understanding the competitive landscape, and aligning with changing consumer preferences are crucial. The PEST analysis helps in strategically navigating these factors for successful market entry and growth (Unger et al., 2019).

The Five Competitive Forces Model

1. Threat of New Entrants:

- **Low Threat:** The virtual reality travel industry requires substantial initial investment in technology, content creation, and partnerships. Additionally, gaining user trust and building a content library takes time. These factors act as barriers to entry, reducing the threat of new competitors.

2. Bargaining Power of Suppliers:

- **Moderate Power:** “VRvoyage” relies on content creators, VR hardware manufacturers, and travel-related service providers. While there are multiple suppliers in these areas, “VRvoyage's” success depends on maintaining positive relationships and securing quality content and technology.

3. Bargaining Power of Buyers:

- **Moderate Power:** “VRvoyage's” users have options for virtual travel experiences, but the immersive and personalized nature of our platform provides some degree of differentiation. Users have some bargaining power, but their ability to negotiate prices may be limited by the unique value offered.

4. Threat of Substitute Products or Services:

- **Low Threat:** While traditional travel remains a substitute for virtual travel experiences, “VRvoyage's” ability to replicate real travel moments and provide unique, immersive content creates a distinct offering. The threat of perfect substitutes is low.

5. Competitive Rivalry Within the Industry:

- **Moderate to High Rivalry:** The virtual travel industry is emerging, and several competitors may vie for market share. However, “VRvoyage's” differentiation through live travel advisors, expanding content library, and user-centric approach positions it favourably in the competitive landscape.

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VR VOYAGE

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INTRODUCTION

Hello, I'm Daniela, the visionary behind "VRvoyage". With a background in both the technology and travel. I bring a unique blend of technology insight and entrepreneurial spirit to the travel industry .



SWOT Analysis:

Strengths:
Innovative VR technology, strong management team.

Weaknesses:
High initial investment, new market adoption rate.

Opportunities:
Growing demand for virtual travel experiences.

Threats:
Technological advancements among competitors.



OVERVIEW OF BUSINESS IDEA

- "VRvoyage" is a Virtual Reality Travel Concierge service, offering immersive travel experiences from the comfort of your home. Our services include virtual tours, live travel assistance, and personalized journey planning.
- Our VR platform caters to a new era of travelers, blending technology with the charm of exploration.

MANAGEMENT TEAM PLAN

❖ Our management team includes:

- CEO: Daniela - Leading strategy and business development (Achievements: achieving 1M pounds in revenue milestones in past companies)
- Head of VR Content: Ivan - Managing VR experience creation (Achievements: Best VR creator of the year 2023 award, showcasing their expertise in the field)
- Customer Experience Manager: Bella - Ensuring user satisfaction and engagement (12 years of experience in the travel and tourism industry, having previously worked with "Expedia")



TARGET MARKET AND MARKETING STRATEGIES

- Our primary customers are tech-savvy individuals seeking new travel experiences. We're targeting millennials and digital nomads.
- USP: "VRvoyage" provides an authentic, customizable travel experience, merging real-world travel insights with virtual explorations.





COMPETITION AND DIFFERENTIATION STRATEGIES

- Major competitors include traditional travel agencies and emerging VR travel apps.
- Our competitive edge: Superior VR technology, exclusive destination content, and personalized travel planning services.



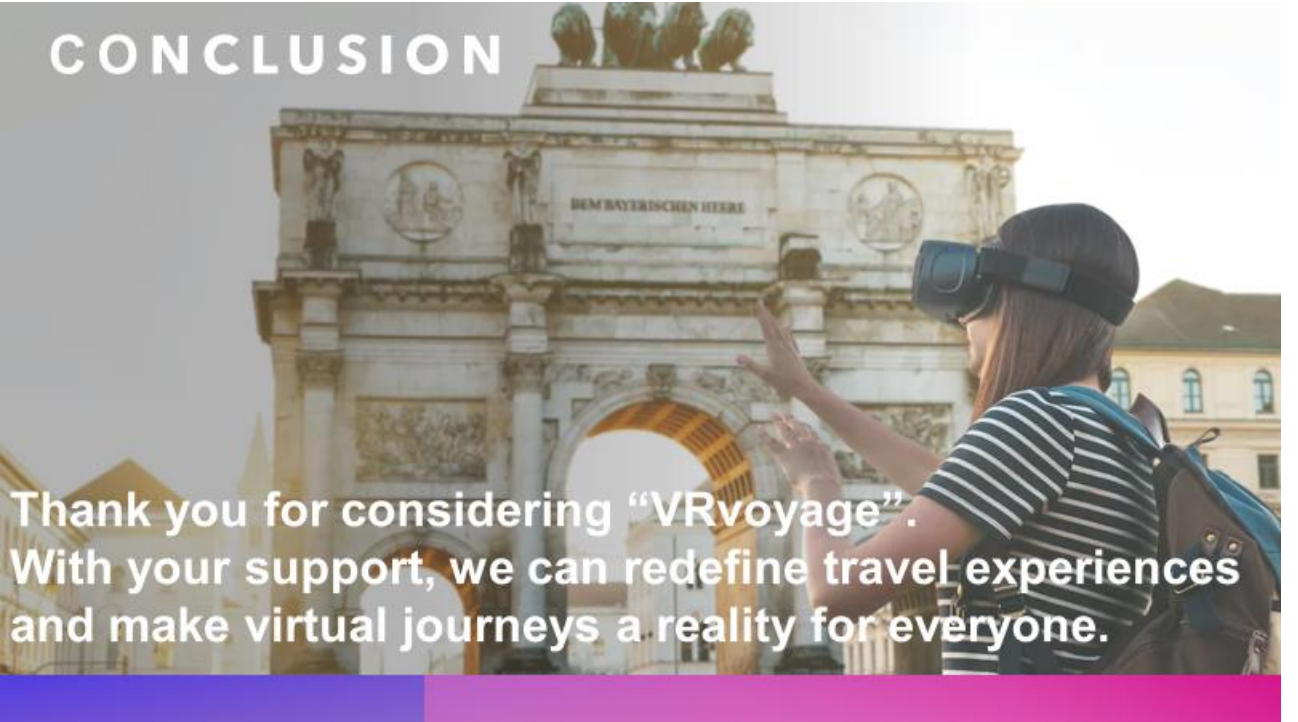
FUNDING REQUIREMENTS AND ALLOCATION

- Seeking an investment of \$2 million to:
 - Develop our VR platform and content library
 - Execute our marketing and customer acquisition strategy
 - Cover operational costs for the first year
- Milestones include platform launch, user base growth, and first-year revenue targets.

FIRST 6 MONTHS BALANCE SHEET

Month	Total Revenue	Expenses (Platform Development, Marketing, Operating Costs, Legal, Contingency)	Net Cashflow
1	£35,000	£40,000	-£5,000
2	£45,000	£25,000	£20,000
3	£55,000	£27,000	£28,000
4	£65,000	£30,000	£35,000
5	£75,000	£33,000	£42,000
6	£100,000	£40,000	£60,000

CONCLUSION

A person wearing a VR headset and a backpack is shown from the side, interacting with a virtual monument. The monument is a large, ornate archway with the inscription "DEM BAYERISCHEN HEERE" on its facade. The person's hands are raised, as if they are reaching out to touch the virtual structure. The background shows a city street with other buildings.

Thank you for considering “VRvoyage”.
With your support, we can redefine travel experiences
and make virtual journeys a reality for everyone.

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