



Employability Skills
Managing Enterprise (BMSW4011)
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Business Plan
Certificate of Higher Education

I confirm that I have not presented any AI generated materials as my own work.

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1. Product/Service Proposition and Company Name

FlowPads Ltd. Produces compact dissolvable pads, designed to instantly enhance ordinary water. Each pad dissolves within 10-15 seconds, delivering a smooth and convenient experience, compared to traditional tablets or powdered supplements. The product addresses three distinct consumer needs through specialized product line:

- *FunctionalPads* (performance, energy, and vitamins, targeting 48.4% (Survey, Q7) who prioritize health benefits);
- *FlavourPads* (focused on taste and flavors targeting 35.5% (Survey, Q4) seeking better tasting water);
- *WellnessPads* (pH balancing, detox, and herbs for the 16.1% (Survey, Q4) wanting smoothness and balance);

All lines use natural ingredients, low sugar, and 100% compostable packaging (NielsenIQ, 2023). Customers can choose between one-time purchases (pack of 10 for £18) or a monthly subscription (pack of 30 for £45), which provides the best value. The subscription model supports predictable revenue streams and strong customer lifetime value (Kowalkowski and Ulaga, 2024).

2. The Story Behind My Idea

FlowPads was inspired by a common frustration: water often tastes plain, especially during physical activity, leading many people to buy flavored drinks packaged in plastic. At the same time, most of us carry reusable bottles but still struggle to stay hydrated without relying on disposable drink bottles. The idea formed when I asked myself: "*I drink water daily...or buy expensive drinks on the go.... Why not just find something that drops into the water and makes it better?*"

To validate this concept, I created a survey and distributed it around. Results showed: 45% (Survey, Q1) barely drink enough water daily, 65% (Survey, Q2) struggle to find good-tasting water away from home, 74% (Survey, Q6) expressed interest in a dissolvable enhancer and 68% (Survey, Q15) would try immediately if available. These findings confirmed a clear gap in the UK market, where 7.7 billion plastic bottles are used annually (WRAP, 2024). FlowPads was created to offer a simple and sustainable alternative that enhances hydration, without waste.

3. Business Ownership Structure

FlowPads operates as a “Private Limited Company” (Ltd). This structure was chosen for three main reasons:

3.1 Limited liability protection:

- Personal assets remain safe from business debts.

3.2 Professional credibility:

- Important when approaching manufacturers, investors or vending partners (GOV.UK, n.d.)

3.3 Long term scalability:

- An Ltd. Enables future investment and is tax efficient within profit distribution (GOV.UK, n.d.)

Pros	Cons
Strong legal protection Professional image Access to business banking The option to add shareholders	Increased paperwork Annual reporting Setup costs (£50-£100) Higher compliance responsibility

4. Mission Statement, Aim and SMART Objectives

4.1 Mission Statement

“Making water worth drinking, without plastic waste or boring taste!”

4.2 Business Aim

We are looking to acquire 1000 monthly subscribers within the first 12 months, creating a foundation for Year 2 vending expansion across Swansea, Cardiff and Newport.

4.3 SMART Objectives (Year 1)

- **Specific:** Gain 1000 subscribers by December 2026.
- **Measurable:** Achieve £45 000 in monthly recurring revenue (1000 x £45).
- **Achievable:** Average 83 new monthly subscribers through digital marketing and lunch events.
- **Relevant:** Subscriber growth supports negotiations with vending partners (Nansubuga and Kowalkowski, 2024).
- **Time-bound:** Deadline is 31 December 2026.

4.4 Unique Selling Proposition (USP)

FlowPads is the only water enhancer that fully dissolves in under 15 seconds, uses natural low sugar formulas that delivers three lines of benefits (Functional, Flavor and Wellness), and comes in 100% compostable sachets, meeting the needs of the 78% of customers prioritizing sustainable packaging (SP News, 2025).

5. Location and Rationale

The business operates from a home-based office in Wales, reducing early costs and allowing more investment in marketing and product development. This model aligns with startup best practice, which prioritizes flexibility and financial efficiency (Ries, 2011).

Manufacturing will be outsourced, with both UK and overseas suppliers being considered. UK manufacturers offer faster lead time and communication, while overseas options may reduce unit costs. Fulfilment will be (initially) managed by us. Once subscriptions exceed 200, another part-time assistant will be hired.

The business is online and ships UK-wide. Wales will be our base for Year 2 vending expansion due to the sustainability culture and lower competition, comparing with major English cities.

6. Human Resources

FlowPads will launch with two-person founding team:

- Founder/CEO (Myself): Strategy, branding, content creation, marketing and partnership development;
- Co-Founder (My Brother): Inventory management, fulfilment, customer service, and supplier communication;

First Hire will take place once the subscriber base exceeds 200, and this will be a part-time position, as Operation and Customer Service. This person will support order processing, subscription adjustments, and customer communication.

We will outsource manufacturing, graphic design, and web development. This way we keep the structure clean and the process efficient.

7. Marketing Activities

FlowPads will use multi-channel strategy:

7.1 Digital Marketing

- Instagram and TikTok as primary platforms.
- Short-form videos showing pad dissolution, flavors, and eco-friendly packaging.
- User-generated content campaigns, offering discount codes in exchange for video content and review.

7.2 Launch Activities

- We will have three main sampling events (Swansea, Cardiff, Newport) where we will introduce the product to local audiences and create email lists for launch discounts.

7.3 Promotional Materials

- Branded flyers for gyms and universities.
- Business cards for partnerships and meetings.
- Social media graphics.
- Eco-friendly packaging showing survey results (example, “74% of people said YES to FlowPads”)

7.4 Budget Marketing

- Initially we allocate £1000 for the events and samples. After that, 3% of monthly revenue will be reinvested to sustain ongoing campaigns (Lindstrom et al., 2024)

8. Market Research

8.1 Primary Research

A survey of 31 consumers revealed:

- 54.9% drink 6+ glasses of water daily
- 64.5% struggle with taste when away from home
- 74.2% want a dissolvable solution
- 67.7 would buy immediately
- 100% value sustainable packaging
- 51.6% would pay £1 - £2 per pad

These insights shaped price, packaging, and product lines.

8.2 Secondary Research

- The UK functional drink market is growing by 8.3% annually (Grand View Research, 2025).
- The importance of increasing hydration (Gandy, 2015).
- The UK uses 7.7 billion plastic bottles annually, with only 43% recycled (WRAP, 2024).
- Sustainability is a key driver of purchasing behavior (Shorr Packaging, 2025).

Together, these trends validate FlowPads as a sustainable, health-focused alternative.

9. Financial Resources

9.1 Startup Costs

- Product development: £2 000
- 5000 units production: £3 000
- Marketing: £1 000
- Website: £1 000
- Legal: £500
- _____
- Total: £7 500

9.2 Funding Sources

- £10 000 savings plus an optional £5 000 family loan. This maintains full ownership and financial control.

9.3 COGS

- Target product: £0.40 per pad (manufacturing/fix)
- Shipped product: fix £0.20 + £0.40 = £0.60
- Subscription price (£1.50) delivers 60% margins
- Single pad price (£1.80) delivers 66.67% margins
- Average 63.64% margin returns

9.4 Operating Costs

- Insurance: £100 monthly
- Accounting Software: £50 monthly
- Postage: £200 monthly
- _____
- Total: £350

9.5 Revenue Forecast (12 months)

- Total Income: Starts at £136 in January, slowly growing to £1169 in December as both channels sell, increase.
- Total Expenses: Monthly costs start at £400, rising to £787 by December due to COGS growth.
- Profit/Loss: Initially negative in the first four months (max loss £264), turning positive in May (£58) and steadily increasing to £382 by December.

Theoretically, we have early losses due to fixed costs exceeding the initial revenue, which is typical for a startup. As both sell channels grow, we break even in May, and we continue to increase profits for the rest of the year. By December, FlowPads demonstrates healthy growth and validates facts about subscription models and product price strategy.

9.6 Feasibility

- Break-even requires around 200 subscribers, which is expected by month 5.
- High gross margins (60 - 66.67%) make the business financially sustainable (The CFO Club, n.d.).

10. SWOT Analysis

- **Strengths:** strong survey validation, high margins, clear USP, subscription model.
- **Weaknesses:** brand awareness, low capital.
- **Opportunities:** growing market, sustainability, demand, B2B channels.
- **Threats:** established competition, economic uncertainty, supply issues.

10.1 Actions to Address Main Weaknesses

- We use survey statistics to build trust. (brand awareness)
- Sampling events and marketing to increase visibility. (brand awareness)
- Vending machine partnership perspective. (limited capital)
- We may consider outside investments. (limited capital)

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Personal Reflection

Working on the FlowPads business required me to engage in research and analysis at a level that initially was way over my power of understanding. My task was to create a business, based on my idea and explore every element in detail, by understanding the market and the cost of doing business, to validate the product. Each part of the business plan required more detailed research, and often, one insight leading to another, I ended up being frustrated or impatient. This was stressful, but in the end gave me valuable knowledge about product ideas. This process made me realize that creating a business plan is not only about writing but also developing informed business decisions through structured thinking and validation methods.

At the beginning, I approached the assignment as a beginner, by quickly selecting an idea without fully checking all requirements across both modules. Initially I felt overwhelmed because no simple product seemed to fit perfectly around that mix of tasks. After a few days of confusion, I realized that I needed to structure my approach. I mapped out the project, creating a clearer structure and then I broke each task into little ones. This strategy allowed me to focus on my research and build confidence, while working on sections like GOGS, margins, or different angles of business management. Even though some of those concepts were difficult to grasp, initially, I persisted with commitment, and slowly, I was able to deeper understand real-world business operations.

Through this process, I also learned a lot about myself. I discovered that focusing on one task at a time and structured planning resolves most of the challenges, before even starting. I realized that my ability to handle complex tasks improves when I am patient, focused, and methodical. FlowPads market research, survey data, and audience insights

relate directly to product designing, pricing, and marketing processes. This showed me the importance of decision making in relation to facts and data. These lessons increased both my confidence and my ability to engage with similar projects in the future.

Looking on my progress, I still need to improve in areas like: (CAC) Customer acquisition costs, lifetime value, and compliance. Also, from an investor perspective I realized that, by understanding viability, risk, and growth potential, I can anticipate mistakes earlier when it comes to business strategy. Next time, I will seriously consider gaining more insight into early-stage evaluation, operational feasibility, and market impact.

If I were an Angel Investor, I may be in the position of considering an investment in FlowPads, after careful assessment. The product has strong market validation, a clear USP, high margins perspective, and aligns with eco-friendly, healthy trends. At the same time, I recognize my lack of experience as an investor, which means I cannot fully evaluate financial or operational risks. Therefore, better risk assessment and careful consideration are required when dealing with low levels of brand awareness. Still as a Startup business and based on potential, I may be interested in a low-level investment based on milestone structure.

As conclusion, this assignment showed me the level of research, planning and strategic thinking that is required to create a business plan successfully. More importantly, it taught me practical experience in starting a small project or developing a business idea.

