



BA Business Management

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Component 1- Written Report

Foundation Pest Experts

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Introduction

The significance of a well-rounded Strategic Business Plan goes beyond creating a systematic process for developing and integrating the direction in which an organisation is heading, it articulates strategic objectives that are SMART and practices required to ensure a set vision as well as outlines for measuring desired success (Cote, 2020). It provides an entrepreneurial venture with a map and serves as a course correction of sorts (Ekanem, 2017). The presented report serves as a business proposal for Dragon Investors regarding the new UK-based venture idea of “Foundation Pest Experts” which is an organisation that offers a wide range of standard pest control services i.e., removing or destroying insect nests and keeping houses free from all kinds of insect infestations. As per requirements, the business plan will provide closure regarding the concept, perform industry analysis, create a marketing plan as well as set up an operation team and provide a financial plan for the company’s future.

Business Description- Foundation Pest Experts



Figure 01: The proposed business Logo (Namecheap Logo Maker, 2023)

The selected name for the proposed organisation is “Foundation Pest Experts” which is aligned with the services that it provides in the pest control sector. As part of the place strategy, the business will be headquartered in Wales and targets to expand in other parts of the United Kingdom to provide pest-based solutions.

Mission: The core mission of Foundation Pest Experts is to utilise the best materials and resources at hand to enhance commitment to creating and ensuring the safest living as well as working environment for the clients via controlling and repealing pests in households, factories, and hotels. Food processing companies, offices residential buildings etc.

Vision: Our vision is to be recognised by our valuable clients as well as employees as a leading figure in the UK pest controlling service experts and maintain a level of excellence in both household and working office environments to keep our community safe and free from any insect infestations.

Services offered: The core product/service offerings consist of the management and prevention of different types of pests i.e., insects, rodents or other animals that may present a threat to developing crops, houses, buildings and other parts of households. Equipped with a wide variety of pest control techniques such as traps and barriers to catch or get rid of pests and insects or using chemicals like pesticides, Foundation Pest Experts aims to provide a wide variety of solutions to undesirable pest problems that plague the neighbourhoods in the UK and promise a safe and pest free, peaceful living environments.

In terms of scale and size, Foundation Pest Experts is a Micro business through and through, consisting of only 4 employees which inlined with the proposed micro structure. In addition, in terms of legal structure, Foundation Pest Experts will integrate and maintain a partnership-based organisational structure simply due to the sheer benefits it brings to the table to be specific, capital, resources, skills, experiences and expertise and equal risk and liability division as well as responsibility of the management of the business (Leonard, 2023).

Industry Analysis – Porter's 5 forces

Threat of new entry

As a new entrant, Foundation Pest Experts will be going up against the potential new entrants in the market. The entry barrier for the pest control market in the UK is quite low as it doesn't require much capital or doesn't have strict legal requirements, only needs a smaller office, a handful of human resources and fewer operations than other sectors (Jobber Academy Team, 2023). A lower entry barrier means more easier for new players to get into the market.

Threat of substitutes

To the advantage of Foundation Pest Experts, there isn't a definitive substitute for Pest Control services but there is a high chance of losing potential clients to homemade pest controls and other initiatives taken by clients themselves as pest control chemicals can bought from stores (Jobber Academy Team, 2023). The cost of switching isn't high and can affect the growth of the company.

Bargaining power of customers

The bargaining power of the clients, especially in the pest control business environment doesn't have much impact. Although the behaviour of customers is uncertain and changes due to the supply and demand in the market, Foundation Pest Experts will reduce the threat of bargaining power by offering new products and services to differentiate themselves from the market.

Bargaining power of suppliers

The suppliers have very little bargaining power over Foundation Pest Experts as pest control tools, types of equipment, chemicals and other resources are quite common and readily available in stores all across the UK.

Competitive Rivalry

VRIO Analysis

The VRIO analysis consists of four elements that a business can go through it meet each requirement. If the business proposition is valuable it can move towards the next question and so on (Lucidspark Staff, 2022). The proposition of Foundation Pest Experts is valuable but it is not rare as the market reeks of competition, especially from established names such as Integrum Services, Pest Exterminators, Indigo Pest Control, JG Pest Control, Pest Killers UK and 24/7 Pest Control etc. (Willbold, 2023). The lack of rarity gives the brand competitive parity (Lucidspark Staff, 2022). The brand is highly imitable due to the lack of entry barriers in the market. The company is organised to utilise the resources at its disposal which gives it realised competitive parity.

	Valuable? V	Rare? R	Imitable? I	Organised? O	Impact on Competitive Advantage
Foundation Pest Experts	Yes	No	No	Yes	Realised competitive Parity

Name of competitor	Differentiation
Integrum Services	The key differentiation strategy revolves around pricing as being ranked 1 in the pest control market, the brand's services and products aren't cheap.
JG Pest Control	The differentiation strategy will prompt to development and retention of strong customer relationships via social media engagement and pest control blogs.

Indigo Pest Control	Providing industry-standard services at a comparatively lower price
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Operations And Management Team

Operations

The key operational functions of Foundation Pest Experts consist of sales and marketing, finance and accounting, and most importantly operations or technician, and human resource management. As a pest control business, the tactical manager or operation manager is the first and foremost priority of the brand. The staff will be recruited, trained, directed, assigned and engaged by the HR managers or line managers and operation management will oversee the pest control operations. The financial function revolves around managing balance sheets, finance capital preparing budgets and making financial analysis while the marketing function ensures the proper reach of the brand in the pest control market and attract audiences to generate maximum conversion (Indeed Editorial Team, 2023).

Revenue Generation

The primary approach to revenue generation would be the method of upselling. The method of upselling sees the company or the seller encouraging the target customers to purchase a more expensive service from the company or upgrade to a better service like a tier-based subscription or extra features that are more profitable for a brand like Foundation Pest Experts (Shopify Staff, 2022). Foundation Pest Experts can offer tier-based services like regular and premium as well as subscriptions for pest control services and properly utilise marketing efforts to upsell the more expensive products.

Prevention of loss of revenue

Losses and risks are imminent to a business. Prevention of loss is integral to a new venture as it is deployed to minimise the losses that are preventable by nature such as operational errors, internal loss, internal theft and supplier fraud. To prevent potential financial losses, the brand

will assign an external accountant to ensure an unbiased analysis of Foundation Pest Experts' financial records and identify inconsistencies (Indeed Career Guide, 2023).

MANAGEMENT TEAM

Name	Skills	What do they bring to the firm
Tim	Problem-solving Critical thinking Leadership Decision-making Operation management	As operation manager, they are responsible for planning, organising and integrating all of the resources and overseeing the processes towards the achievement of the company goals (Indeed Editorial Team, 2023)
Joy	Marketing Management skills Communication and networking Social media marketing and engagement Collaboration	Head of digital and traditional marketing, connecting with the target audiences on different social media platforms, promoting the brand via blogging and posts, and creating meaningful content with collaborators.
Mark	Human resource management skills Leadership Communication Training Team management and motivation	Recruiting, training, directing, engaging, leading, and motivating staff and minimising job turnovers.

Anna	Financial skills Forecasting and decision-making Critical thinking	Overseeing end-to-end finance operations, financial planning and analysis, balance sheet reconciliations etc. (Indeed Editorial Team, 2023)
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Marketing: The Four P's

Product

As a pest control service provider, Foundation Pest Expert's service offerings consist of the management and prevention of different types of pests i.e., insects, rodents or other animals that may present a threat to developing crops, houses, buildings and other parts of households. Equipped with a wide variety of pest control techniques such as traps and barriers to catch or get rid of pests and insects or using chemicals like pesticides, Foundation Pest Experts aims to provide a wide variety of solutions to undesirable pest problems that plague the neighbourhoods in the UK and promise a safe and pest free, peaceful living environments.

Price

A pricing strategy is what dictates what will be the best price for a service or product within an established market to succeed. A strong pricing strategy accounts for different factors i.e., revenue goals, marketing, target audience income level, brand positioning and service features, competitor pricing etc. (Decker, 2023). As per the Unique Selling Proposition, the brand will differentiate itself and enter the market via the adaption of penetration pricing. It is most appropriate for new ventures such as Foundation Pest Experts as it enables them to set up lower prices early so that the brand generates a larger consumer base (BDC Blog Team, 2023).

Promotional Mix

In a post-covid business environment, the digital platform has become a primary solution for new entrepreneurship ventures i.e., small and micro businesses. Digital marketing is marginally more cost-efficient and exhibits the ability to reach a wider audience base. The promotional mix of the Foundation Pest Experts consists of social media marketing especially on Facebook and Instagram, creating a website with all of the product

information as well as links to the social media and AI chatbot, creating and sharing pest control blogs for gaining homeowners awareness and trust, developing and improving Search engine optimisation (Proecho Solutions, 2022). The marketing strategy will be further boosted by posters, banners, newspaper advertisements radio adverts etc. traditional and print media approaches to promotion (FieldRoutes, 2022).

Place (Distribution strategy)

As part of the place strategy, the business will be headquartered in Wales and targets to expand in other parts of the United Kingdom to provide pest-based solutions. The location strategy is justified due to not only the availability of pest control equipment, chemicals and other tools from the supplier base in Leeds but also the potentially huge market demand for Pest control services due to not many brands making the best of the opportunities there.

Financials

Sources of funds

Investment from partners: As a partnership-oriented business, Foundation Pest Experts' primary access to funds will be the investment and capital shared by each of the partners. The risk, profit, loss, liabilities, and responsibilities will be delegated and distributed according to the written agreements and as a partnership style of organisation, the Brand will have more eligible access to bank loans and venture capitalists (Leonard, 2023).

Usage of Funds

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Revenue	£6100	£7000	£7400	£7600	£7900	£8500
Fixed Costs	£3000	£3000	£3000	£3000	£3000	£3000
(Total)						
Rent	£400	£400	£400	£400	£400	£400
Utilities	£100	£100	£100	£100	£100	£100
Insurance Expense	£200	£200	£200	£200	£200	£200
Licensing fee	£300	£300	£300	£300	£300	£300
Equipment fee	£100	£100	£100	£100	£100	£100

Software	£200	£200	£200	£200	£200	£200
Technology	£200	£200	£200	£200	£200	£200
Salaries	£1500	£1500	£1500	£1500	£1500	£1500
Variable Costs (Total)	£700	£800	£600	£550	£700	£600
Chemical disposal	£50	£50	£50	£50	£50	£50
Fuel	£100	£200	£50	£100	£50	£50
Transportation	£100	£100	£100	£100	£150	£100
Technician Wages	£150	£50	£150	£150	£100	£100
Advertising	£250	£250	£200	£100	£200	£200
Maintenance	£50	£150	£50	£50	£150	£100
Profit	£2400	£3200	£3800	£4050	£4200	£4900

Conclusion

A business plan is essential for a new venture providing the means necessary to contextualise the challenges related to the contemporary business environment and make the company proactive by nature. Proper utilisation and integration of the business plan might enable the new proposed venture Foundation Pest Experts to fully realise its potential as well as ensure a respectable part of the pest control market share and bring in forecasted profit to fund future expansion to the other parts of England.

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