



(Shah, 2016)

MANAGING ENTERPRISE IN THE 21ST CENTURY

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EXECUTIVE SUMMARY

In this presentation a new pet retail business plan will be outlined.
This business will be launched in London initially.

Various important aspects including products, services, market audits, marketing plan and financial plan will be discussed.

It is hoped that this plan will be successful.

This business plan aims to manage the enterprise in the 21st century. In this presentation, a new pet retail business plan will be outlined. This business will be launched in London initially. Various important aspects including products, services, market audits, marketing plan and financial plan will be discussed. It is hoped that this plan will be successful.

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BUSINESS / COMPANY OVERVIEW

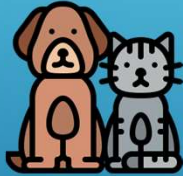
- ❑ The name of the company is Pet Shop.
- ❑ Pet business is very popular in the UK and USA. There are 34 million pets in the UK and 17 million families own pet.
- ❑ Keeping pet is considered as a symbol of status. At first, the business will be launched in London.
- ❑ Then it will be expanded to other cities.
- ❑ The shop will sell pets to both customers and retailers. Customers can order from online.



(Zaikinles, 2021)

The name of the company is Pet Shop. Pet business is very popular in the UK and USA. Keeping a pet is considered a symbol of status. At first, the business will be launched in London. Then it will be expanded to other cities. The shop will sell pets to both customers and retailers. Customers can order online.

PRODUCTS AND SERVICES



Pets



Grooming



Hotels



Training

The business will offer the customers four types of services. They will offer healthy pets for the customers. They will offer pet hotels. They will offer grooming services. And finally, they will provide a pet training facility.

Services of Pet Shop

- ❑ Pet Shop will offer three type of services for the customers.
- ❑ These services include pet hotels, grooming and pet training.
- ❑ These services will allow the company to differentiate from the competitors (Suckling et al, 2020).
- ❑ Pet Shop will also provide life-time pet related services.



(Freepick, 2021)

Pet Shop will offer three types of services for the customers. These services include pet hotels, grooming and pet training. These services will allow the company to differentiate itself from its competitors (Suckling et al, 2020).

Market audit-Competitor's Analysis

Factors	Your company Pet Shop	Competitor A Petland	Competitor B Chiswick Pets	Competitor C Scampers Natural Pet Store
Industry	Retail	Retail	Retail	Retail
products or services	Pets, hotels, grooming, training and pet care services.	Pets, Fishes and Reptiles	Pet care, training and feeding	Pets, small animal, fishes and reptile
Similarity	Shop/ online	Shop/ online	Shop/ Online	Shop/ Online
What makes us different	Healthy pets Varieties of products and services Personalized customer care Life time membership Free pet training Good quality pet feeds Will fulfil the lifetime needs of the pets	Comparatively low varieties High cost Less personalized services	Verities produces and services High cost Good per care services	Comparatively low verities Good customer focused Natural food supply
Quality	Premium quality pets Heathy pets Excellent pet care services	Average pet care services		
Price	Premium prices	Premium prices	Premium prices	Mid range
Location	Firstly Pet Shop will start at London. Then it will gradually expand.	More than 200 Petland stores are in different places.	Good area coverage	Good area coverage
How big of a threat are competitors to you?	Fair	Fair	Fair	Low

Here three main competitors have been described. These competitors are Petland, Chiswick pets and Scamper pet store. All the pet retail offers almost similar products and services. But Pet Shop will provide some extra advantages for the customers. For example, they will provide healthy and cheerful pets. Customers will be offered varieties of pets. Customers will get personalized services. Good quality pet foods will also be provided. They will also provide lifetime pet needs. All the competitors offer their pets both from physical shops and online. But they are not efficient to provide excellent services. But Pet Shop's main lacking is capital. As a new business, there is a shortage of capital. The business believes that it can be able to differentiate itself through excellent services.

SWOT Analysis

Strength • Competitive Pricing • Excellent customer service (Teoli et al, 2019) • Experiences in retail • Personalization • Good variety pets	Weakness • Low area coverage • Lack of capital • Poor relationship with suppliers • Late entry in the pet market
Opportunities • Reaching a broader Market online • Learn digital skills • Training the staff • Exporting pets	Threats • Competitive pricing strategy • Online hacking • Delivery problems • Enough supply to meet demand • Too much competition

SWOT analysis is tool used to assess weakness, strength, opportunity and threat. SWOT analysis shows that Pet Shop has several strengths and weaknesses compared to its competitors. The strengths of the business include competitive pricing, excellent customer service, varieties of pets and personalized services. On the other hand, weaknesses include low area coverage, lack of capital, poor relationship with suppliers and late entry into this market. Opportunities include digital skills, exporting and a large market. Threats include delivery problems, online hacking and too much competition.

PESTEL ANALYSIS

POLITICAL	ECONOMICAL	SOCIAL	TECHNOLOGICAL	LEGAL	ENVIRONMENTAL
• Government stability • Favourable Tax policy (DeSilets, 2008) • Competition regulations • Strong industrial ties.	• Moderate inflation rate • Moderate interest rate • Higher consumer spending rate • Low unemployment rate	• Higher portion of younger people • Educated population • Health consciousness • Desired family size and structures	• Strong technological infrastructures • A high rate of internet users • Number of increasing social media users	• Strict health and safety regulation • Employment laws • Anti-discrimination laws	• Focuses on environmental sustainability • Focuses on recycling • Green consumption • Investment in renewable energy

The political environment shows government stability and favourable tax policy (DeSilets, 2008). The economic environment shows a moderate inflation rate, moderate interest rate and higher consumer expending. The social environment shows an educated population, a higher portion of younger people and health consciousness. The technological environment shows strong technological infrastructures and increasing social media users. The legal environment shows strict health and safety laws and anti-discrimination laws. Finally environmental shows sustainability, recycling and green consumption.

TARGET MARKET

- ❑ Pet Shop's main target customers are family and children's with age under 18 (Jepson, 2015).
- ❑ On the other hand, families with no children are also target customers of the company.



(TRWCBlogger, 2022)

Targeting is used to serve the customer preciously. PetSmart's main target customers are families and children with age under 18 (Jepson, 2015). On the other hand, families with no children have also targeted customers of the company.

MARKETING PLAN

- ❑ **Product:** Pet Shop will offer four types of products and services for the customers including pets, hotels, grooming and training.
- ❑ **Price :** Pet Shop will charge premium price for its products and services. It is because that the customers will be provided high quality products and services (Loganbill, 2019).
- ❑ **Distribution:** All the stores will be stocked with healthy fresh pets. Customers will get home delivery facility.
- ❑ **Promotion:** Pet Shop will focus on digital marketing and word of mouth. Happy customers' reviews will be provided on social media.

Marketing mix (4P) is a tool used to apply marketing strategies in promoting and reaching customers (Demonic, 2009)

Product: Pet Shop will offer four types of products and services for the customers including pets, hotels, grooming and training. They will provide quality services to the customers. Customers will be given lifetime membership cards. They will maintain a good relationship with the customers.

Price: Pet Shop will charge a premium price for its products and services. It is because the customers will be provided with high-quality products and services (Loganbill, 2019). Pet Shop believes that customers do not bother about the price if they get quality services. For this reason, they will charge a premium price.

Distribution: All the stores will be stocked with healthy fresh pets. Customers will get a home delivery facility. In London, 15 distribution centres will be used to deliver their products. Customers can order online. Multiple payment options will be available for the customers.

Promotion: Pet Shop will focus on digital marketing and word of mouth. Happy customer reviews will be provided on social media. Pet Shop will always be connected with the customers through social media. The main reason for using digital marketing is that digital marketing is very cost-effective

and efficient.

SELLING PLAN

- ❑ Pet Shop is committed to provide healthy and fresh pet animals for the customers.
- ❑ All the customers will be nicely welcomed.
- ❑ The sales people maintains long-term relationship with the customers (Vesvijak, 2004).
- ❑ Customers will be offered life time all the pet related services.

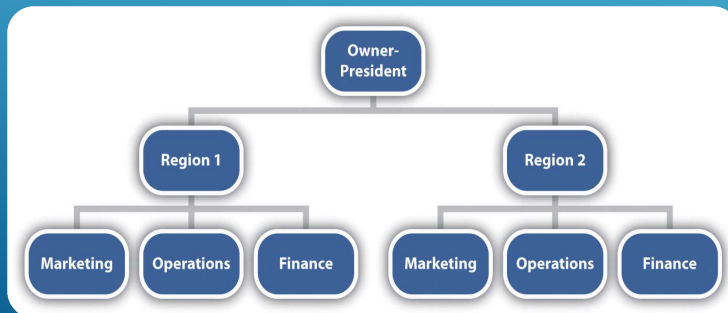


(ForwardVid, 2021)

Selling is one of the most important tasks of every business organization. Pet Shop is committed to providing healthy and fresh pet animals for its customers. All the customers will be nicely welcomed. The salespeople maintain a long-term relationship with the customers (Vesvijak, 2004). Customers will be offered lifetime all the pet-related services.

MANAGEMENT TEAM

- ❑ Pet Shop requires skilled employee to manage all the stores.
- ❑ All the employees will be given special training to manage the pets and serve the customers.
- ❑ This hierarchy will be followed by Pet Shop.



(Ferrara, 2014)

Pet Shop requires a skilled employee to manage all the stores. All the employees will be given special training to manage the pets and serve the customers. This hierarchy will be followed by Pet Shop. The management hierarchy shows that the owner of the business will be top of the hierarchy. In each region, there will be three management fields. They are marketing, operation and finance. The owners of the business will coordinate all the regions.

FINANCIAL PLAN

Assets	Current	Year 1	Year 2	Year 3
Current Assets				
Cash and Equivalents	10,000	36,946	77,211	124,825
Receivables from Sales	0	7,008	8,760	10,074
Other Receivables	0	0	0	0
Inventory	5,000	8,903	8,651	9,942
Prepaid Expense/Deposits	0	2,000	2,000	2,000
Total Current Assets	15,000	54,857	96,623	146,841
Fixed Assets:				
Equipment & Machinery	15,000	15,000	15,000	15,000
Less accumulated depreciation	0	2,429	4,857	7,286
Net Fixed Assets	15,000	12,571	10,143	7,714
TOTAL ASSETS	30,000	67,428	106,766	154,556

At the beginning year, the total assets will be £30,000. In the second year, it will be £67,428. Then it will increase to £106,766. And in the fourth year, total assets will be £154,556.

FINANCIAL PLAN

LIABILITIES				
Current Liabilities				
Trade Payables	0	6,424	6,243	7,174
Income Tax Payable	0	8,360	12,578	15,602
Short Term Notes	0	0	0	0
Total Current Liabilities	0	14,784	18,821	22,776
Long term Liabilities				
Notes Payable, Bank	15,000	12,566	10,131	7,160
Notes Payable, Others	0	0	0	0
Other Liabilities	0	0	0	0
Total Long-Term Liabilities	15,000	12,566	10,131	7,160
TOTAL LIABILITIES	15,000	27,349	28,952	29,936
PROPRIETOR'S ACCOUNT				
Owner's Equity	15,000	15,000	15,000	15,000
Less Withdrawals	0	25,079	62,813	109,619
TOTAL NET WORTH	15,000	40,079	33,813	124,619
TOTAL NET WORTH and LIABILITIES	30,000	67,428	106,766	154,556

The total liability of the business will be equal to the fourth-year projection of the assets. First-year, total assets will be £30,000. Next year it will increase to £67,428. Then it will increase to £106,766. And in the fourth year, the total liability will be £154,556.

CASH FLOW FIGURES

	Month One	Month Two	Month Three	Month Four	Month Five	Month Six	Month Seven	Month Eight	Month Nine	Month Ten
Beginning Cash Balance	15,000	9,354	6,961	6,833	6,985	7,435	8,200	9,320	10,692	12,324
Cash Receipts from Sales	4,100	8,301	8,836	9,404	10,005	10,643	11,221	11,736	12,271	12,827
Total Cash Available	19,100	17,655	15,798	16,237	16,991	18,078	19,421	21,056	22,962	25,151
Accounts Payable, merchandise	0	3,608	3,841	4,088	4,350	4,628	4,923	5,149	5,384	5,629
Selling costs	312	322	333	344	355	367	380	393	407	422
General & Administrative	1,215	1,222	1,230	1,238	1,246	1,256	1,266	1,277	1,289	1,302
Salaries	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Total Cash Disbursements	2,917	6,552	6,803	7,070	7,352	7,651	7,968	8,219	8,481	8,753
Net Cash from Operations	16,173	11,103	8,994	9,167	9,639	10,427	11,453	12,837	14,482	16,398
Proprietor's Draw	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Debt Service	319	319	319	319	319	319	319	319	319	319
Inventory Purchases	5,000	323	343	363	385	408	314	326	339	353
Net Cash Balance	9,354	6,961	6,833	6,985	7,435	8,200	9,320	10,692	12,324	14,226

The cash-flow statement shows that at the beginning month, Pet Shop will have £9,354. In the next month, it will decrease to £6,961. In the third month, the net hand cash will be £6833. Thus at the tenth of the month, net cash will be £14,226. And thus it will increase in the future.

Income Statement

Sales	Year 1		Year 2		Year 3	
Sale of Pets and related services	109,518		142,373		170,848	
Other Sales	3,600		3,960		4,356	
Total Sales	113,118		146,333		175,204	
Cost-of-Goods-Sold	37,329	33%	48,290	33%	57,817	33%
Gross Profit	75,789		98,043		117,387	
Selling Expense	13,200	12%	4,926	3%	5,197	3%
General & Administrative	47,496	42%	50,108	34%	52,864	30%
Net Income Before Taxes & Interest	15,093	13%	43,009	29%	59,325	30%
Interest	2,781	2.5%	2,271	1.6%	1,707	34%
Income Taxes	3,078		10,184		14,405	1.0%
Net Income or Loss	9,234	8%	30,553	21%	43,214	25%

The income statement shows that Pet Shop's first year's net income will be £9234. In the second year, it will increase by 8% and the net income will be £30,553. And then net income will increase to £43,214. This amount is 25% increasing. And thus, the amount of profit will increase day to day.

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