

Individual Written Business Plan Assessment - Michael Sonola

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Business Description and Structure

'Sonola Coins & Artefacts' is an established company specialising in auctioning events for the purpose of trading and purchasing rare coins. Our objective is to provide a safe and legitimate environment for business to take place between collectors and vendors. This includes selling coins in the correct form and at the right price. Furthermore, the business will be registered under the legal status of a 'LLC' company to accommodate external investors and capitalise on gold and silver fluctuations.

Concerning the operational structure, the business will operate under a commission model for cataloging and selling coins during the auction period. The service begins with various collectors booking a free consultation with one of our advisors to discuss the service package. Once the initial bidding strategy is in place, clients can request to have their coins featured in the catalogue and placed under the live auction bid. Therefore, clients will only be commissioned once the coins are sold on auction day with an additional 'buyer's premium' charge.

To ensure operations are carried out diligently and effectively, the following teams will be needed. The finance team will consist of veteran accountants to process payments and receipts from all our clients. The marketing team will consist of trained professionals to manage client relationships and deliver reports on demand. The human resource team will also be in place to manage recruitment and onboarding new members.

Above the finance, marketing, and human resource teams, the 'Head of Operations' is responsible for overseeing the performance of all three departments. Regular meetings will be held between the Head of Operations and the Advisory team to resolve any ongoing bottlenecks and misalignments. Finally, the 'Head of Auctions'

will be responsible for preparing and organising upcoming auction events alongside the Head of Operations and Advisory team. In most cases, the Head of Auctions will also retain the 'Founder' role when dealing with investors and external partners.

Market Analysis and Trends

As of 2024, the coin collection industry is said to be worth \$10.74B and projected to increase to \$23.87B by 2032 (Maximise Market Research, 2023). Some of the main activities in the coin collection industry include numismatic research, investing in coins for their commercial value, as well as trading gifts and souvenirs.

This growth is likely to be supported by the growing interest in numismatics and their historical significance for many reasons. For instance, the most expensive coin collection ever assembled included a series of gold coins that traces back to the Third Year's War, including the 100 ducat coin that Ferdinand III minted in 1629 (Whiddington, 2025). "The weight of the gift coins was chosen according to the importance of the recipient and 100 ducats was the highest denomination" says Christian Stoesses in a recent article. This indicates that coins can have different valuations in relation to their status, political, and cultural significance.

In addition to this, developments in technology such as online marketplaces have made it easier for people to purchase, sell, and trade coins, broadening the market's accessibility. Ebay for instance, allows you to list items quickly and sell almost immediately with their massive online platform. As of October 2024, private sellers can list up to 300 items for free, which is a significant advantage (Silverhammer Coin Auctions, 2025). For private sellers with an interest in numismatics, these online platforms have become essential in their operations, offering discussion forums, polls, and questionnaires among collectors.

P.E.S.T.E.L Analysis

Political factors indicate that many auction houses face restraints in the form of counterfeiting and fraudulent practices. For instance, in one article published by *The Drinks Business* regarding a court case against wine auction house Acker suggests that counterfeits are, in fact, common despite robust procedures in place. After the final ruling was announced publicly through a press release, the auction houses concluded that the bottle at issue was indeed counterfeit after subjecting it for review and comparative analysis (Wang, 2017). In this case, auction houses need to collaborate closely with local and global law enforcement to protect customers from these counterfeits.

Economic factors indicate that the demand for coins fluctuates according to the price of gold, silver, and many other precious metals. In one recent article published by the *Numismatic News*, precious metals such as gold, silver, and platinum have set all-time record spot prices. The first instance that these metals experienced a dramatic increase in value was in 1971, as the Bretton Woods international monetary system ended (Griedroyc, 2025). The 2008 Great Recession brought on the next spike, after which it was followed by the COVID-19 pandemic in 2020 (Griedroyc, 2025). Indeed, coin collectors collect first, but always keep a watchful eye on the value of what they collect.

Socio-cultural factors indicate that many auction houses are expanding to new markets that appeal to younger generations. The American Numismatic Association (ANA) has been leading its expertise with classes to assist young numismatists in

the pursuit of exclusive rewards. Soon after, the Coin Collecting Mint Badge was introduced in 1938 which required the young seeker to collect a set of precious U.S. coins, collect and identify 50 foreign coins, attend a coin show, among many other things (Johnson, 2024). This is only an example of organisations working to challenge the preconceived notions that young people may have about coin collecting.

Technological factors indicate a shift in digital platforms to discover and purchase coins. Many online platforms such as Ebay and APMEX have made trading coins easier than ever, giving investors access to coins that would otherwise not be able to obtain (American Standard Gold, 2025). Some have even adopted the use of blockchain technology to authenticate coin transactions. According to the American Standard Gold Company, by using blockchain to verify the provenance of a coin, collectors and investors can be more confident in the authenticity of their purchases.

In addition to all this, there have also been a number of reputable competitors who have caused major disruption in the market over the past few years. The Royal Mint, for instance, has been a leading organisation for coin production in the UK and according to Marketing Tech News, recent articles point towards their viral marketing strategy during stock market fluctuations. Other more traditional coin retailers compete through providing bespoke experiences and a commitment towards expertise. Chards Coin and Bullion allows for customers to book face-to-face consultations with their leading team of experts in order to maintain the highest level of customer satisfaction (Squaremile, 2025). And while we cannot deny that a strong commitment to customer experience has been a key factor to the success of many coin-dealer brands, the Atkinsons Bullion & Coins Company were able to outperform the competition through investing in a XRF analyser that improved the overall accuracy and authenticity of their coins. This allowed for a simple, discreet, and secure coin buying experience (Niton UK, 2020). Indeed it is always worth the investment, if you care about your bottom line and the benefits that it will bring to the market.

Marketing Strategy

Considering the factors, our approach will be to provide a fully-managed service package for cataloguing and selling the coins during the auction period. Furthermore, the service-package will be tailored towards small coin-dealers and vendors who are looking for a convenient outlet to sell their coins while offering competitive rates. This approach will enable us to maintain transparency and authenticity in all aspects of the service, ensuring coins are sold efficiently and in a timely manner.

Our pricing strategy will focus primarily on a 10% commission fee incurred on all coins sold during the auction period. Commission rates will be sensitive to the demand of gold, silver, and other precious metals at the time of auction. Despite the incentives, our ability to sell the coins is limited to the number of vendors and collectors who attend at auction. This means that a major part of our pricing strategy will revolve around the location and logistics associated with the service.

From now on, all of our upcoming auction events will take place in the Princess Louise House in Hammersmith, London. Some of the competing venues in the immediate neighbourhood include the 116 Pall Mall, St Mary's Marylebone, and the Exhibition White City Hall. Despite the growing competition in the area, our venue features flexible spaces and beautiful architecture suitable for creating a unique and

immersive experience. Therefore, we believe that choosing a suitable place of operation is conducive to creating a favorable market image.

Regarding our promotion and advertising programme, our objective will be to have participants place bids before the live auction takes place. Participants can place bids from anywhere and receive tailored services to ensure goods are delivered to the buyer on time. Promotional spending will be channeled primarily towards printed magazines and catalogues catering exclusively to collectors and investors. In addition to this, an online catalogue will be available on the website for participants to learn more about upcoming auctions. This will also allow them to place bids ahead of time and secure their slots. Lastly, in the coming weeks and months, we will be considering increasing the marketing budget towards paid ads across social media while carefully monitoring any spikes in the demand for gold and silver.

Financial Projections

Over the next six months, we are looking to raise up to £250,000 in funding for all our upcoming auction events. Funding will be acquired through a venture capital fund that covers all the initial startup costs for the first month of operations. This includes the cost of the office and venue rental. In addition to this, the initial funding round will cover website development, online advertising and any other promotional materials. Finally, annual insurance and legal fees will be considered into the overall budget.

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