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**BA BUSINESS MANAGEMENT**

**Assignment 1**

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## BUSINESS DESCRIPTION / MARKET OPPORTUNITY

Express Cleaning is an eco-friendly and sustainability driven cleaning service company which stands itself out from other competitors by the superiority of quality service and originality of the company. Express Cleaning provides a broad selection of cleaning services to both residential and commercial customers. They respond to the needs of their customers. The services include general cleaning, more in-depth cleaning, and cleaning that focuses specifically on disinfection. How the firm provides its services is where its cutting-edge innovation may be found. Since the end of the pandemic, there has been a change in focus towards making sure that venues are not just aesthetically clean but also hygienically safe (Gupta et al., 2021). The organisation uses cutting-edge cleaning technology and adheres to guidelines that were developed to efficiently tackle viral and bacterial contamination.

The innovative aspect also includes the use of environmentally friendly cleaning practices and products, which are in line with the general movement towards sustainability that is occurring all over the world. This method not only helps the environment but also protects both customers and employees from hazardous substances by minimising their contact with such substances (Pieroni et al., 2021). As a result of the epidemic caused by the COVID-19 virus, the need for such services has significantly increased. Businesses and households are looking for partners in the upkeep of their health and safety, thus they are increasingly searching for professional cleaning services that provide more than just simple cleaning. Express Cleaning fulfils this need by offering services that are not only comprehensive but also mindful of health concerns.

## Mission and Vision Statement

Stating the Mission, Express Cleaning strives to deliver excellent, eco-friendly cleaning services while the businesses prioritise customer success, therefore they clean and eliminate health concerns at every site (Bashir et al., 2020). It is also the goal of the company to pledge to preserve the environment and fight infectious diseases, notably Covid-19. There's more to it than just cleanliness. The main vision of the Express Cleaning is to bring revolutionary changes in the cleaning service industry by the integration and introduction of high-end technological solutions and eco-friendly sustainable ingredients for cleansing. The vision of the Express Cleaning is motivated by the consequences left the by Covid-19 pandemic regard to the health and environmental concern.

## INDUSTRY ANALYSIS – Porter's 5 forces MUST be completed

**Threat of New Entrants**

New enterprises may easily start in the cleaning services market due to its low entry barrier. With new rivals, Express Cleaning faces ongoing competition (Lopez et al., 2019). It may counteract this danger by building a strong brand, delivering distinctive services, and emphasising its innovative and eco-friendly approach.

**Bargaining Power of Suppliers**

In cleaning, suppliers mostly offer equipment and supplies. These suppliers have modest negotiating strength. Express Cleaning may lower this power by using numerous vendors or bulk purchasing to get better discounts (Annarelli et al., 2020). The trend towards eco-friendly goods may also provide a chance to engage with unique green cleaning product suppliers.

**Bargaining Power of Customers**

Due to their many options, cleaning service customers have significant negotiating power. Express Cleaning should concentrate on service quality, customer care, and unique offers such as specialised disinfection services to increase customer loyalty and minimise price sensitivity.

**Threat of Substitute Products or Services**

The threat of replacements is strong since clients may choose in-house cleaning personnel or automated cleaning technology (Trapp and Kanbach, 2021). Express Cleaning may resist this risk by emphasising its professional knowledge, innovative processes, and eco-friendly supplies, which clients may struggle to reproduce.

**Competitive Rivalry within the Industry**

Cleaning companies, from tiny local firms to enormous national conglomerates, compete fiercely. Express Cleaning must innovate, maintain high standards, and maybe enter less-crowded niche areas to stand out.

**Competitive Rivalry:** who are your main competitors and how can you differentiate yourself from them? **VRIO analysis** is required here

**Value:** Express Cleaning provides eco-friendly, high-quality cleaning services. This addresses the increased need for ecologically responsible services, particularly post-Covid-19 when cleanliness and sustainability are crucial.

**Rarity:** Eco-friendly and modern hygiene practices may be unusual in cleaning, particularly in some local marketplaces (Lee, 2019). If rivals seldom provide such practices, Express Cleaning may have an edge.

**Imitability:** Eco-friendly practices and innovative cleaning processes may be copied, but Express Cleaning's brand recognition, client loyalty, and service quality are tougher to copy. The company's customer service and eco-friendliness may build a distinctive brand identity that is hard to copy.

**Organization:** Express Cleaning must be organised to maximise these resources and talents. Effective marketing, customer relationship management, and operational efficiency are included (Dijkstra et al., 2020). To maintain its competitive edge, the organisation must exploit its unique resources and competencies.

| Name of competitor | Differentiation |
|---|---|
| Luna Clean | Advanced eco-friendly practices and high-quality service emphasizing post-Covid hygiene needs. |
| UK Cleaning | Strong brand reputation with a focus on customer loyalty and unique eco-friendly service offerings. |
| Bowdens Cleaning | Innovative approach with specialized disinfection services and customer-centric operations. |

# OPERATIONS AND MANAGEMENT TEAM

## OPERATIONS

Express Cleaning's operations are carefully planned for efficiency, quality, and client satisfaction. Customers can contact us by phone, online, or via mobile app to start the process. Customers are given service alternatives and clear pricing at this step. A customised cleaning plan is created for the customers. After that, a competent team will be appointed. The cleaning service is efficient and ecologically beneficial since this team uses eco-friendly cleaning materials and cutting-edge equipment (Zhu and Liu, 2021). The workforce receives extensive training in the newest cleaning and hygiene requirements, especially after COVID-19. Process quality control is essential. Regular supervisory checks ensure cleanliness requirements are met. Customer input is also requested and utilised to enhance service.

### Revenue Generation and Loss Prevention

Upselling will be Express Cleaning's main income source. Encourage existing clients to buy more services or upgrade their bundle. Upselling may boost income without increasing client acquisition expenses (Hankammer et al., 2019). Express Cleaning can better recommend complementary services like specialised disinfection or thorough cleaning since it already knows the consumer.

Express Cleaning will use different methods to avoid income loss. First, good service is essential for client retention. Satisfied clients are less likely to switch providers and more likely to buy more services. Second, the business will use dynamic pricing to keep prices competitive and profitable depending on demand, competition, and other market circumstances (Salvador et al., 2020). Finally, Express Cleaning will develop its services to remain ahead of market changes and consumer expectations, eliminating revenue loss from old service models.

MANAGEMENT TEAM

| **Name** | **Skills** | **What do they bring to the firm** |
|---|---|---|
| John Smith | Strategic Planning & Leadership | Expertise in guiding the company's strategic direction and leading the team towards achieving business goals. |
| Lisa Chang | Marketing & Customer Relations | Strong skills in developing effective marketing strategies and maintaining excellent customer relationships. |
| Carlos Rivera | Operational Management & Efficiency | In-depth knowledge of operational processes, focusing on improving efficiency and service quality. |
| Francis Miller | Financial Planning & Analysis | Proficiency in financial oversight, ensuring sound financial health and sustainable growth for the firm. |

## MARKETING: The Four P’s must be used to describe your marketing strategy

**Product:** Express Cleaning offers a variety of services to satisfy its customers' various demands. Commercial, residential, and specialised disinfecting services are included. The company promotes its eco-friendly and sophisticated hygienic practices, notably post-Covid-19 (Gelderman et al., 2021). Express Cleaning stands apart in the market for its environmental sustainability and health safety.

**Price:** Express Cleaning prices are balanced to provide quality and affordability. Our competitive pricing approach positions us advantageously in the market while maintaining profitability (Mont et al., 2020). Pricing depends on service type, cleaning extent, and specialised services. Express Cleaning provides one-time services, subscription models for regular cleaning, and premium packages for specialised requirements to accommodate a variety of consumers.

**Place:** Express Cleaning's services are mostly limited to high-demand locations. A handy web platform lets users plan, schedule, and manage cleaning services. The organisation also has a significant physical presence in its operations locations to improve client visibility and access.

**Promotion:** Express Cleaning promotes using digital and conventional approaches. This includes social media and search engine advertising, content marketing via blogs and hygiene and cleaning recommendations, and local advertising in community venues and magazines (Pieroni et al., 2021). The company encourages pleased clients to recommend them, using word-of-mouth marketing. Customers are attracted and retained by special promotions, discounts, and loyalty programmes.

# FINANCIALS

Small Business Loans will suit the new cleaning service firm. Small business loans are widely available and tailored to SMEs. They provide structured launch and operations financing without diluting ownership. Express Cleaning's early capital needs may include cleaning equipment, supplies, marketing, and operating expenditures during the first several months. A small business loan may pay these costs, allowing the firm to start and develop. (Annarelli et al., 2020) Choosing a loan versus equity funding allows you to keep complete ownership and control of the firm, which is vital in the early stages when strategic choices may shape its direction and culture. After COVID-19, governments and financial companies may provide better conditions for small firms, particularly those that protect public health and safety, like cleaning services (Trapp and Kanbach, 2021). The moment is right for Express Cleaning to use such financial instruments. In conclusion, Express Cleaning may use small company loans to meet its early financial requirements and expand without losing ownership or control.

Express Cleaning is planning to get a small company loan for £50,000 at an annual interest rate of 5% for a term of 5 years (60 months). This will serve as the foundation for the approach that will be used to repay the loan. The bulk of the repayment strategy will include making regular monthly payments by an amortisation model that has a predetermined interest rate. Each one of these payments will take care of both the principal and the interest that has accumulated on the loan.

Use of funds

| | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 |
|---|---|---|---|---|---|---|
| Revenue | £4,000 | £5,000 | £6,000 | £7,000 | £8,000 | £9,000 |
| **Fixed Costs:**<br><br>Office Rent<br><br>Premiums<br><br>Salaries<br><br>Vehicle Lease<br><br>Loan Repayments | £2,000 | £2,000 | £2,000 | £2,000 | £2,000 | £2,000 |
| **Variable Costs:**<br><br>Cleaning Supplies<br><br>Fuel Costs<br><br>Casual Labour Cost<br><br>Equipment Costs<br><br>Utility Bills | £1,000 | £1,200 | £1,400 | £1,600 | £1,800 | £2,000 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Maintenance Cost | | | | | | |
| Profit | £1,000 | £1,800 | £2,600 | £3,400 | £4,200 | £5,000 |

**MARKET RESEARCH**

Express Cleaning refines its market strategy and meets client demands via an STP analysis. Geographically, the corporation divides its market between urban and suburban locations with more residential and commercial buildings (Gupta et al., 2021). Express Cleaning also segmented by age, income, and family size to meet the needs of different consumer groups. Psychographic segmentation identifies people and organisations who value cleanliness, sanitation, and eco-friendliness, matching the company's offerings with these values.

| **Segmentation** | **Target Market** | **Positioning** |
|---|---|---|
| Geographic | Urban and suburban areas | Reliable and Efficient Cleaning Services |
| Demographic | - Busy Urban Professionals<br>- Families<br>- Small to Medium-sized Businesses | - Eco-Friendly<br>- Hygiene and Safety<br>- Customer-Centric<br>- Affordable Pricing |
| Psychographic | Environmentally Conscious Individuals and Organizations | Sustainable and Eco-Friendly Cleaning Solutions |

Express Cleaning will target busy urban professionals, families, small to medium-sized enterprises, and environmentally aware clients seeking eco-friendly cleaning solutions (Lee, 2019). By targeting these sectors, the organisation assures its services appeal to quality, efficiency, and eco-friendliness enthusiasts. Express Cleaning can tailor its services to each client group's demands and preferences thanks to this tailored approach.

Express Cleaning positions itself as a trustworthy and efficient cleaning service that delivers high-quality service quickly. It uses eco-friendly cleaning products and methods to promote its green image. After COVID-19, the organisation emphasises cleanliness and safety to assure clients of a clean and safe atmosphere. Express Cleaning also prioritises client happiness with customised cleaning programmes and quick assistance. Its competitive price ensures clients get value for their money.

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