

Entrepreneurship

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Introduction

The concept of a business plan implies a written document that discusses the start-up business details by defining its objectives and how it is going to achieve the common shared aims and objectives. In general, the business plan includes four plans which include operational planning, tactical planning, strategic planning and contingency planning. This report is solely based on a start-up business plan template; in which the explanation of industry analysis, operational management team plan, marketing plan, financial plan and detailed market research has been reflected and highlighted.

BUSINESS PLAN TEMPLATE: THIS TEMPLATE MUST BE USED FOR THE ASSESSMENT. YOU MAY INCLUDE PICTURES TO IMPROVE THE PROFESSIONALISM OF YOUR WORK

BUSINESS DESCRIPTION / MARKET OPPORTUNITY

The start-up business plan that has been chosen is *online e-commerce – a common marketplace for all*. The name of this online e-commerce start-up business is *Innov*. This business is solely based on online marketing with the products related to the online grocery and online fresh vegetables that deliver the ordered products within 1 hour. This type of new business start-up plan is very beneficial for both social and commercial impact (Ecommerce Industry Snapshot, 2018). This online e-commerce start-up business will serve the location in the UK on an initial basis; later on, the expansion and exploration will be taken place. The main mission of this business is to guide and educate entrepreneurs in the universe of e-commerce. The concept of an online e-commerce start-up business is based on the framework of a partnership registered under UL company law policies.

Description of the product and service

The online e-commerce start-up business will focus on selling online groceries and fresh vegetables in the UK target market segmentation. Starting from the fresh food, bakeries, organic food materials, corn, tarragon sachet, punnet mushroom, bunch, parsley, cauliflower and all related green vegetables and related groceries are available in online e-commerce start-up business – *Innov Company*. The main innovative element of this online e-commerce start-up business is its fastest delivery within 1 hour in an entire UK target market.

INDUSTRY ANALYSIS

As per the research, the online electronic commerce market growth size in the UK is 35% with average revenue of 106 million in the entire UK followed by Amazon and Tesco respectively. The growth rate of the online e-commerce market after the severe Covid-19 pandemic is 45% substantially; as approximately 60% of the UK, citizens ordered online (Janusz Grabara *et al.*, 2018). The sales projections might rise 15% from the last year's e-commerce transactions. For detailed analysis, the framework of Porter's Five Forces has been illustrated below:

Threat of new entry: The possibilities of new entrants in the UK e-commerce market are very low; as it needs huge manpower and investment for setting the business internationally. The maximum will be the entry barriers; the lower will be the threat for present competitive players. In general, the new entrant's threat is very low for start-up e-commerce business – *Innov Company*.

Threat of substitutes: It is very easy for UK citizens to switch from one e-commerce brand to another. As a start-up e-commerce business – *Innov Company* is new to everyone; there comes a matter of trust and faith in front of all the major competitors in the UK target market segmentation (Martial Pasquier and Jean-Patrick Villeneuve, 2018). In this segment, the threat of substitute is high.

Bargaining power of customers: In the UK e-commerce target market; the bargaining power of the customer is very high; as there are various types of e-commerce brands available in the UK market. The start-up e-commerce business – *Innov Company* has to face very hard competition as the bargaining power of customers tends to be very high.

Bargaining power of suppliers: In this type of e-commerce business; the supplier's bargaining power is very low for start-up e-commerce business - *Innov Company*; as there exists an enormous number of suppliers in the UK target market. The brand of e-commerce has to choose its own suppliers based on the products and service requirements.

Competitive Rivalry: The higher the competition in this e-commerce industry; the lower will the competitors will charge products price. Based on the start-up e-commerce business – *Innov Company*; the major competitors in the UK like Tesco, Amazon and Sainsbury's are always competing with each other in order to gain customer interest in all its related products (Janusz Grabara *et al.*, 2019). In general, the competitive rivalry is very strong. The start-up e-commerce business – *Innov Company* has to face very tough competition in the UK target market segmentation.

Name of competitor	Differentiation
Tesco	Established company with ranked top in sales revenue and employee intake.
Sainsbury's	Established company with years of experience; having strong customer base in the UK market.
Amazon	Strong customer base orientation, ranked top in online grocery sales in UK target market segmentation.

OPERATIONS AND MANAGEMENT TEAM

OPERATIONS

The business process that is to be followed is the FIFO method (Moti Melkamu, 2021). As it is solely related to fresh vegetables and online groceries; the possibilities of getting spoiled are of great chance. In this case, the suppliers must be reliable and all the deliverables must be based on reliant fundamentals. Moreover, as far as product supplies are concerned; the fresh vegetable will come from the farmer's point; where start-up e-commerce business – *Innov Company* representative will visit and will take over the required vegetable; visit the company warehouse and distributes it accordingly (Marshall and Johnston, 2019). Furthermore, the entire deliverable will be done from a small truck and minivan car to minimise certain variable expenses on an initial basis. Based on the website details; input by the customers; the transportation takes place. The entire delivery will start from the company warehouse with the perfect package criterion; and delivery accordingly based on the customer requirements (Neghină Ramona-Alexandra *et al.*, 2019). Regarding the grocery items; the company has appointed three reliable suppliers; by whom the entire grocery items can be purchased. There are more than 150+ grocery items that the *Innov Company* company is delivering on an initial basis.

How would you generate revenue for your business? E.g., How would you prevent loss of revenue?

In general, the entire process will be followed from the company warehouse to the customer drop point depending upon the requirements of the product. For revenue generation; there are three methods which *Innov Company* will follow which include sales revenue, middlemen revenue and direct delivery aspect criterion revenue. From a long term perspective; the company will earn revenue through the delivery aspect criterion where certain delivery charges will be applied depending upon the location distance. Through, this method there exists a cost orientation reduction in the variable expense overhead in the company balance sheet as well.

In order to overcome or prevent the future risk; the company has attained the insurance claim from two companies. Moreover, in addition to these, the company has added some surge rate of delivery charge based on the location distance. This will enable the company to collect the amount deposited for future contingency risk.

MANAGEMENT TEAM

Name	Skills	What do they bring to the firm
ABC	CEO	Investors
DEF	MD	Stakeholders and Customers
GHI	Marketing Manager	Competitors key aspect

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

Product: In general, the Innov main products are varieties of grocery items with an intake of 150+ and fresh vegetables with a consumption of 30+ items. At present, the company is offering fresh food, bakeries, organic food materials, corn, tarragon sachet, punnet mushroom, bunch, parsley, cauliflower and all related green vegetables and related groceries.

Price: As far as the price of the mentioned products is concerned; for an initial basis the company work at a margin of 5-7% respectively (Siska Noviaristanti, 2022). Depending on the UK market; *Innov Company* will work accordingly. Moreover, in addition to these, the company will follow the concept of penetrating the pricing model and skimming the price model.

Promotion: This is the most essential aspect for *Innov Company* for promoting its products in the UK target market segmentation. As the company is a start-up; it needs to distribute the leaflets in the heart city of the UK; whilst the company also tends to sell the product brochure by visiting house to house and make the UK citizen understand the company facility and how it separates from other competitors (Rahma Wahdiniwaty *et al.*, 2022). Furthermore, the company also take help from social media website and take advantage of free ads, campaign creation and communities' enlargement.

Place: This section will cover the concept of product distribution and the strategy of distribution under *Innov Company* regulations. The product of *Innov Company* will be distributed directly from the company warehouse and will distribute according to the customer demand and requirements (Wulandari and Subriadi, 2022). As the business is solely related to online e-commerce; its delivery is limited to the customer needs and preferences.

FINANCIALS

Based on the above discussion, the funds will be coming from two reliable sources which include commercial banks and angel investors. As the company is starting its e-commerce start-up business on a small basis; there will be no such big investment. The allocated funds will be invested in warehouse purchase, employee recruitment, product purchase, website maintain ace, company legal papers, miscellaneous taxes and product deliverables (Rahma Wahdiniwaty *et al.*, 2022). Below is the table that reflects and highlights the use of funds on a monthly basis in connection with fixed and variable costs. The segregation of the fixed cost and the variable cost is listed below in order to make an appropriate identification of the start-up cost orientation.

Use of funds

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Revenue (from your operations and marketing section)	-\$5000	\$10000	\$10500	\$12000	\$15000	\$18000
Fixed Costs (List out your fixed costs)	Company Tax, Electricity bill, Warehouse rent, employee salary, website maintain ace charge and development.					
Variable Costs (List out your variable costs)	Delivery Expenses, Product orientation cost					
Profit	-\$5000	\$10000	\$10500	\$12000	\$15000	\$18000

Market Research

This section will reflect and highlight the PESTLE analysis which is as below:

- **Political:** The political factors of the *Innov Company* will be very challenging as it is a start-up business in the UK with facets of major competitors. The issue of change in government regulations, financial stability, employment opportunities issues and workforce diversification may affect the company as a whole.
- **Economic:** The main issue that *Innov Company* can face is demand, cost, prices and profit. Sudden change in UK government law or alteration taxation percentile may affect the *Innov Company* in terms of business operations.
- **Social:** Customer attitudes and beliefs are the most important key aspect of the social factor of market research. Selling organic food products can attract customer retention to a larger extent.
- **Technological:** As the *Innov Company* is a start-up company; there might be an issue that it may face is the establishment of the technology disruption. The UK is a developed country; technology advancement can be the major problem that *Innov Company* may be facing.
- **Legal:** The *Innov Company* has been regulated by all UK laws and legislations and has also implemented the Code of Conduct Practice (Janusz Grabara *et al.*, 2018).

Environmental: The *Innov Company* has adopted and implemented the UK CSR community plan and has also made sure that the recyclable product can be determined on the website. The use of plastic is strictly prohibited with the established slogan of saving the environment.

Conclusion

This is to conclude that the above report ends up with the theme of entrepreneurship. The notion of knowledge is the basic business idea that has been generated through the unique concept of establishing an e-commerce enterprise. The detailed description of the business, with determining market opportunity and industry analysis has been reflected and reflected. The management team in contrast to company operations has been contested in a detailed manner. The perfect marketing plan, finance plan and market research have also been contested in connection with the start-up e-commerce business named *Innov Company*. Based on the above report, it can be said that it is very tough to establish a business in an international market with existing major competitors in the same industry. There must be a perfect marketing plan and an appropriate sales promotion strategy irrespective of the new start-up business idea.

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