

Business Plan For

AIDA HOME

MADE CAKES

Module: Managing Enterprise in the 21 Century

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Prepared by

Student 1 : MARIA ADRIANA PITA, Student number : 1816554

Student 2 : DORIN RACOTEA, Student number : 1816553

Student 3: COSMIN IONUT CIUC ,Student number : 1815909

Student 4 : ANDREEA DUMITRITA ALEXANDRU, Student number : 1816556

Student 5 : ILIE IULIAN RUXANDESCU, Student number : 1816185

Lecturer: Dr Anupam Mazumdar

University of Wales Trinity Saint David

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EXECUTIVE SUMMARY

- Whether you're partial to a rich, chocolatey devil cake or prefer to savour a more mature cheesecake, doused in liquor, there's no better way to end a meal than with a slice of your favourite cake. Not all cake recipes are for dessert, of course. Let's not forget the joy of waking up to the smell of fresh pancakes or the excitement of blowing out the candles on that extra special birthday sponge cake!
- The interest by consumers in the home made cakes, cookies and ice cream has gone up in the past 3 years and more and more coffee shops that serve cookies and cake shops open every day across London and UK. Aida Home Made Cakes will be positioned in central London because of the busy streets and its touristic places.
- Aida Home Made Cakes will provide a friendly, comfortable atmosphere where the customer can receive quality services at reasonable prices offering a variety of choices of home made fruit cakes and cookies and a lot of toppings that the customer can have on the ice cream and cakes. Being a cake shop we will also have a wide variety of juice, soda and non-alcoholic drinks including hot drinks like coffee and tea. We will also be able to make orders for birthday cakes and all kind of other event cakes for the customers and we will have a catalogue where they will be able to choose their flavours.

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MISSION & Vision STATEMENT

- The business wants to provide a friendly, comfortable atmosphere where the customers can receive and enjoy quality home made cakes and cookies at a reasonable prices. We consider that we can offer excellent products at a good price without affecting the quality. There's a large number of baking and cake making businesses out there, so we need to think about how we're going to differentiate ourself. We could also try vegan or gluten-free bakes, for instance, or concentrate on children's party cupcakes or wedding cakes.
- Since cakes are difficult to transport, we need to have a good sense of our local market, as most of our customers need to be close enough for in-person delivery or collection.
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PURPOSE OF BUSINESS

- This document is intended to outline the start-up of the business known as Aida Home Made Cakes.
This business plan has two missions. First mission is to obtain the financing and second mission is to show to the investors that Aida Home Made Cakes is not just your ordinary cake shop and its your home made delight witch can grow to have a chain of shops all over UK and why not the world.



- **BUSINESS GOALS**
- The business goals are to provide a substantial income and to create a business and working environment where both the customers and employees are treated with dignity and respect. Also we want to provide a healthier and organic growth ingredients on our products where the people will know what they will eat.
- The specific goals of the business are:
 - Profit-personal income in excess of 100.000per year within three years
 - Employees- Competent employees (at least 51% from low-income neighbourhoods) who are committed and loyal.
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DESCRIPTION OF BUSINESS

- Aida house will be a house shop located in the heart of London minutes away from the Green Park tube station.
- Aida house will provide a variety of choices to our guests. Coffee and tea of all sorts will be offered. The choices of coffee will be range espresso to latte, cappuccino or iced coffees from regular flavour to raspberry-mocha and also different syrups witch our guests can try or even mix from vanilla to canella etc... the teas will range from the traditional English breakfast with or without caffeine to different herbal flavours varieties.
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Business Analysis

- The time is right for opening a shop in the central of London. The shops having a great deal of success, which is evidenced by the full shops every day off the week. The area next to Green Park station is not so many coffee shops the nearest coffee shop is a few bus stops close to Piccadilly Circus Which is coffee shop with limited products .Near by Green Park station is many buildings with offices which is a very good opportunity for Aida to provide them with coffee before their work, in their breaks or just have a relaxed time with a coffee and a cup cake after a stressful day. Opposite by station is big park where is a attraction for many people in a search of relaxing place and atmosphere, also not too far away is the Buckingham Palace which is a massive tourist attraction and Green Park is one of the ways in which the people passing by.

- **Critical risks and problems**
- Aida cake has identified various risks such as lack of effective chefs, cross-contamination related issue and huge competition, which they can face after establishing their business. In order to handle the above-mentioned risks, the solutions such as improvement in the taste of cake, preparing budget within time and proper baking method for preventing cross-contamination have been discussed and it will help Aida cake in order to increase their profit. STP analysis has been conducted so that target customers can be set.
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- **Marketing process /Plan**
- **STP analysis**
- **Segmentation**
- Aida cake will consider the demographic factors such as age, income and gender of the people, in order to understand who will be their regular customers. In context of psychographic segmentation, survey will be conducted and it will help to understand the favourite flavour of cakes such as chocolate, vanilla of the customers. The customers of UK will be selected in order to conduct survey and according to the result, Aida cake will prepare their cakes for increasing their sale in the market.
- **Targeting**
- In order to sale cakes, Aida cake will generally target to the kids and young generation, as they prefer to have pastry and cakes. The people, whose monthly income more than £20000, will be targeted, as they do not have such economic crisis. Moreover, in order to attract aged customers, various cookies will be provided to the customers and other target consumers will be the pastry lovers.
- **Positioning**
- Aida cake will try to hold the position in the **high quality low price quadrant**. It is found that in the UK market, the bakery will face various competitors such as Spun Candy, Sweet Deals American Candy Store and they have reputation in the market. However, it is observed that price of the products of existing ventures is high and their quality of products is good. Hence, Aida cake will develop their strategy in a way so that they can offer high quality products in a low price rate.
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SWOT Analysis

- **STRENGTHS**

- The time is right for opening a shop in the central of London. The shops having a great deal of success, which is evidenced by the full shops every day off the week.
- Near by Green Park station is many buildings with offices which is a very good opportunity for Aida to provide them with coffee before their work, in their breaks or just have a relaxed time with a coffee and a cup cake after a stressful day.

- **WEAKNESSES**

- New on the market

- **OPPORTUNITIES**

- Opposite by station is big park where is a attraction for many people in a search of relaxing place and atmosphere, also not too far away is the Buckingham Palace which is a massive tourist attraction and Green Park is one of the ways in which the people passing by.

- **THREATS**

- All other local coffee shops and supermarkets

FINANCIAL		Q1	Q2	Q3
CALENDAR				
Online advertising		January-April	May-August	September-December
Facebook		£200	£260	£120
Instagram		£200	£260	£120

- **OPERATIONS**

- **The operational steps that will define the implementation of the investment plan will be:**

1. Projects, approvals and notice of operation
2. Space planning
3. Signing contracts with vendors
4. Purchase of furniture and kitchen appliances
5. Transport, mounting and probing of appliances
6. Recruitment and hiring of staff
7. Personnel Training and verification
8. Initial acquisition of a stock
9. Inauguration of the shop(bakery)

MANAGEMENT

- The Director general (bakery officer) will be Ruxandescu ilie iulian
- And will have in the subordination all the staff of the cake shop and persons responsible for the cleanliness/sale
- **Staff**
- The staff of the Bakery will consist of: chef, chef's help and a person responsible for the cleanliness and sales. They will be subordinations to the bakery officer who will necessarily have the necessary experience in conducting a business. The bakery officer will be responsible for the current activity of the bakery with suppliers, partners and clients, but will work directly on the establish and comply with the promotion methods of offer and bonuses Performance granted to employees.
- These functions will be fulfilled by the following people:
 - 🕒 The bakery officer by Ruxandescu Ilie Iulian
 - 🕒 Chef by Maria Pita
 - 🕒 Chef's help by Dorin Racotea
 - 🕒 Sales/cleaning by Andreea Dumitrita Alexandru

FINANCIAL PLAN

- The initial investment will be about 20,000£ And will be covered in about 3-4 months.
- But I would like to say that my calculations are not fair per cent, because as I said before, they will be fluctuations of cashes during the year. We will wait for larger cashes during the summers (June July August) because that is the wedding season and we expect the sales to decline during the winters.
- **The payment note** to such a store to share 2 or 3 products for each customer. The flow of clients in the first year is estimated 15 customers per day except for the months of July and August when they expect a larger number of clients because it is the wedding season, To grow by 25% in the second year thus increasing to a customer number of 18.75, And in the third year with another 25% thus made a number of 22.5 clients per day. And on average a customer will spend around £20/day

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FINANCIAL PLAN

PROPOSED EXPENDITURES OF THE YEAR	Q1 (JAN-APRIL)	Q2 (MAY-AUGUST)	Q3 (SEP-DEC)
The bakery officer	£ 8,000.00	£ 8,000.00	£ 8,000.00
Chef	£ 6,400.00	£ 6,400.00	£ 6,400.00
Chef's help	£ 5,200.00	£ 5,200.00	£ 5,200.00
Sales/cleaning	£ 4,400.00	£ 4,400.00	£ 4,400.00
Utility costs	£ 7,440.00	£ 7,440.00	£ 7,440.00
Electric	£ 800.00	£ 800.00	£ 800.00
Water	£ 80.00	£ 80.00	£ 80.00
Telephone and internet	£ 140.00	£ 140.00	£ 140.00
Shop promotion	£ 200.00	£ 200.00	£ 200.00
Money on Rent	£ 4,400.00	£ 4,400.00	£ 4,400.00
Money on products ingredients	£ 1,820.00	£ 1,820.00	£ 1,820.00
Other expenses will still be for advertisements and shop promotion	£ 8,560.00	£ 8,560.00	£ 8,560.00

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