

Student Name: Hena Rodriques

Student ID: 1921350

Module Code: LCBB5001

Module Title: Entrepreneurship Assessment 2

Module Lecturer's Name: Nadeem Mirza

Table of Contents

1. Introduction of Business Description.....	3
1.1. Intellectual Property	3
1.2. Legal Considerations.....	3
2. Industry Analysis	3
2.1. Analysis of VRIO.....	3
2.1.1. Value	3
2.1.2. Rarity.....	3
2.1.3. Imitability.....	3
2.1.4. Organization.....	3
2.2. Five Forces Analysis by Porter	4
2.2.1. Threat of New Entrants	4
2.2.2. Suppliers' Bargaining Power	4
2.2.3. Buyers' Bargaining Power.....	4
2.2.4. Threat of Substitutes.....	4
2.2.5. Competitive Competitiveness	4
3. Operations and Management Team Plan	4
3.1. Plan for Operations.....	4
3.2. Sources of Revenue.....	5
3.3. Management Team Plan.....	5
3.4. Legal Structure	5
4. Marketing Plan.....	5
4.1. Product	5
4.2. Price.....	5
4.3. Promotion	6
4.4. Distribution.....	6
4.5. Positioning.....	6
4.6. Sales Strategies.....	6
5. Financial Plan.....	6
5.1. Statement of the Sources and Uses of Funds	6
5.2. Options for Paying	7
5.3. Budget projections for cash.....	7
6. Market Research	8
7. Recommendations.....	9

8. References.....	10
--------------------	----

1. Introduction of Business Description

A new startup called GreenBox intends to assist companies in the food and beverage sector in finding affordable and environmentally responsible ways to package their goods. We will use compostable and biodegradable materials to create our items. Our objective is to provide our clients with affordable solutions while reducing the harm that packaging waste causes to the environment.

1.1. Intellectual Property

GreenBox is aware of how crucial it is to safeguard its intellectual property rights (Barringer, 2019). We will work with attorneys to get trademarks and patents for our distinctive packaging and production methods. This will safeguard our products and brand and prevent competing businesses from stealing our concepts and designs.

1.2. Legal Considerations

GreenBox shall conduct business in accordance with all laws and regulations (Brush, 2013). We will collaborate with attorneys to ensure that the way we operate our company and produce our products complies with all safety and environmental regulations. Additionally, we will apply for all the licenses and licenses required to operate our company legally and morally. Additionally, we will cooperate with our suppliers to guarantee that our raw materials comply with all laws and requirements. All of our business dealings shall be open and transparent as part of our commitment to operating our company honestly and ethically.

2. Industry Analysis

The packaging sector is a big one that serves a variety of sectors, including those for food and beverage, healthcare, consumer goods, and industrial items. By 2025, the packaging market is anticipated to expand by 5.5% annually, reaching \$1.05 trillion (Kotler, 2016). The packaging industry's main sector, which accounts for over 40% of the market share, is the food and beverage packaging business. Due to growing environmental concerns, there is a greater need for sustainable and eco-friendly packaging options.

2.1. Analysis of VRIO

2.1.1. Value

GreenBox offers reasonably priced packaging solutions that are eco-friendly and satiate the demand for sustainable packaging in the food and beverage sector.

2.1.2. Rarity

There are numerous businesses in the packaging sector, but GreenBox stands out from the majority of rivals due to the usage of biodegradable and compostable materials (Osterwalder, 2010).

2.1.3. Imitability

GreenBox's production method and raw ingredients are imitable, but the company's distinctive packaging and branding will be shielded by patents and trademarks.

2.1.4. Organization

GreenBox's management staff is highly qualified and has experience in the packaging sector, assuring smooth operations.

2.2. Five Forces Analysis by Porter

2.2.1. Threat of New Entrants

The packaging business faces a low to moderate danger from new competitors. Government laws, economies of scale, and brand recognition are a few of the relatively high entry hurdles. However, the growing market for eco-friendly packaging options can draw in new competitors.

2.2.2. Suppliers' Bargaining Power

Suppliers have a moderate amount of bargaining power. Numerous raw materials are needed for the packaging sector, and suppliers can exercise influence by limiting the flow of these commodities.

2.2.3. Buyers' Bargaining Power

Buyers have a lot of leverage while negotiating. If GreenBox's goods are not competitive in terms of price, quality, or sustainability, customers can easily move to another supplier because they have many options in the packaging sector.

2.2.4. Threat of Substitutes

There is a moderate threat of substitutes. Although plastic is still the most common type of packaging, demand for eco-friendly alternatives is rising. As a result, GreenBox has a chance to offer environmentally beneficial solutions (Kotler, 2018).

2.2.5. Competitive Competitiveness

The packaging sector is characterized by intense competitiveness. The industry contains a number of well-established competitors, and the competition is driven by factors including cost, value, creativity, and sustainability. However, GreenBox may have a competitive advantage due to its distinctive package designs and sustainability focus.

3. Operations and Management Team Plan

3.1. Plan for Operations

The main goal of GreenBox's business plan is to make eco-friendly and sustainable packing for the food and beverage industry. Biodegradable and compostable materials will be used by the company to make wrapping products that are both cheap and good for the environment. The manufacturing process will be highly automated, which will make sure that quality is uniform and that it works well. The company will run on a business-to-business (B2B) approach, with a focus on partnering with sustainable food and drink companies. GreenBox will sell its products directly to customers through its website and social media sites.

3.2. Sources of Revenue

GreenBox will make money by selling its environmentally friendly packaging to firms that make food and drinks (Bhide, 1999). The company will price its products at the same level as standard packaging methods to make sure that clients can afford them.

3.3. Management Team Plan

GreenBox's management team is made up of experienced professionals in the packaging business, each with a unique set of skills and knowledge. The team is made up of: John Smith is the founder and CEO of the company. John has worked in the packaging business for over 20 years and is an expert in the design and development of products. He will be in charge of the company's activities and long-term plans. Jane Doe is the Chief Operating Officer. Jane has a lot of experience in manufacturing and supply chain management from her time at a top packaging business. She will be in charge of the company's production and shipping. Mark Johnson is the CFO. Mark is a qualified public accountant who has worked in finance and accounting for more than 15 years.

3.4. Legal Structure

GreenBox will be an LLC for "limited liability company." This legal structure protects the company's owners from liability while allowing them to run the business and pay taxes in different ways. The LLC form also makes it easy to transfer ownership and makes it possible to raise money in the future by selling shares. The LLC form gives GreenBox the best mix of protection from liability, tax benefits, and flexibility for its operations and plans for future growth.

4. Marketing Plan

GreenBox's marketing plan aims to get people to know about its eco-friendly packaging goods and show how they are better than traditional packaging options. The business will use a mix of online

and offline marketing strategies to reach its target audience (Schaper, 2014).

4.1. Product

GreenBox's packaging products are made from sustainable materials that break down over time and can be composted. This makes them a greener choice to traditional packaging solutions. The company will sell a variety of environmentally friendly packaging goods, such as takeout containers, cups, and utensils.

4.2. Price

GreenBox's pricing approach will be similar to that of other packaging companies, so clients will be able to afford it. Customers will be more likely to switch to the company's eco-friendly goods if the company gives discounts for large orders.

4.3. Promotion

GreenBox will use online marketing channels to get the word out about its goods and find new customers. The company will reach out to its target group through its website, social media sites, and email marketing campaigns. Offline marketing strategies will also be used, such as going to trade shows and networking events to meet possible clients and build relationships with them.

4.4. Distribution

GreenBox will use a direct sales method to sell its products to businesses that make food and drinks. The company will work with distributors and wholesalers to reach more people and make sure its goods get to them quickly and easily.

4.5. Positioning

The packaging goods made by GreenBox will be marketed as a greener, more sustainable option to traditional packaging. The company will talk about how its products are good for the earth. This will appeal to consumers' growing interest in sustainability and lowering their carbon footprint.

Points of Differentiation

GreenBox's packaging products are different from traditional packaging options in several ways, such as:

1. Biodegradable and compostable products
2. Made with eco-friendly materials
3. Competitive prices
4. Branding that is eco-friendly and sustainable

4.6. Sales Strategies

GreenBox will focus on building relationships with food and drink companies that care about sustainability as part of its sales plan. The company will give free samples to people who might be interested in buying their goods. This will give them a chance to try out the products and see for themselves how eco-friendly packaging is better. The sales team will work closely with clients to find out what kind of packing they need and then offer solutions that fit those needs.

5. Financial Plan

5.1. Statement of the Sources and Uses of Funds

Our new business needs a total of \$500,000 to start up. This money will come from equity partners and bank loans. This is the source and use of funds statement:

Money comes from
Invested money: \$300,000
Bank loan: \$200,000
Total: \$500,000
How money is used
\$150,000 for study and development of products
Equipment purchase: \$100,000
Marketing and advertising: \$75,000
Cash on hand: \$100,000
Rent and bills for an office: \$25,000
Fees for lawyers and professionals: \$25,000
Depending on: \$25,000
Total: \$500,000

5.2. Options for Paying

Startup businesses can get money in a number of ways, such as through equity financing, debt financing, crowdfunding, and government handouts. Equity financing means getting money by selling ownership shares in the company (LegalZoom, 2022). Debt financing means getting money by borrowing it and paying it back with interest. Government grants are funds that can't be paid back that are given to businesses that meet certain requirements.

5.3. Budget projections for cash

Our cash budget plan for the next six months is as follows:

Month 1
Initial investment: \$20,000 in cash flow.
Outflow of cash: \$60,000 (for product creation, buying equipment, and marketing costs).
Cash on hand at the end: -\$40,000

Month 2
No money coming in:
Working funds and legal fees cost \$25,000 in cash.
Cash on hand at the end: -\$65,000

Month 3
No money coming in:
Working capital and office rent and bills add up to \$25,000.
Cash on hand at the end: -\$90,000

Month 4
Initial sales of \$10,000 bring in cash.
Outflow of cash: \$30,000 (for marketing and operating capital).
Cash on hand at the end: -\$110,000

Month 5
Sales of \$20,000 bring in cash.
Outflow of cash: \$30,000 (for marketing and operating capital).
Cash on hand at the end of the month: -\$120,000
Money coming in: \$30,000 from sales.
Outflow of cash: \$30,000 (for marketing and operating capital).
Cash on hand at the end: -\$120,000

We plan to stay in business by making more money from sales and controlling our costs. We will keep a close eye on our cash flow and make changes to our processes as needed to ensure we stay on budget. Also, if we need more money or investments to support our growth and development plans, we will find ways to get them.

6. Market Research

In order to conduct exhaustive market research for our business proposal, we will need to collect data and insights regarding the macro environment and the industry. To begin, we can search for credible market and general environment-related information sources. These sources include industry reports, official statistics, market research studies, and scholarly research. Conduct a competitive analysis to determine the advantages and disadvantages of our rivals' products and services. This allows us to develop market differentiation strategies (Smith, 2011). We can determine new trends and business opportunities in a given industry through market research. Changes in consumer preferences or technological advancements, for instance, can increase the demand for our product or service. Surveys and focus groups can be used to gather information from prospective customers. This can help us better understand their needs, preferences, and willingness to pay for our product or service. We can use techniques such as PESTEL analysis to comprehend the political, economic, social, technological, environmental, and legal factors that could impact our company. Comprehensive market research can assist us in making prudent decisions regarding our business strategy, product development, and marketing plan. In addition, it can help us identify potential issues and threats that we may need to address in order to succeed in the market.

7. Recommendations

Based on the findings of the study and research, the following recommendations are made, Given the growing importance of e-commerce in the market, it is recommended that the company create a strong online presence in order to reach a larger client base. It is critical to differentiate the product and create unique value propositions that will appeal to customers in order to stand out in a highly competitive market. Forming strategic alliances with suppliers and other industry players can assist the company in securing cheaper prices, improving distribution channels, and increasing brand visibility. Because the industry is always changing, it is essential that the company perform continual market research to stay current on industry trends and customer preferences. To raise the necessary funds for start-up costs and expansion ambitions, the company should investigate various financing

options such as equity financing, debt financing, or crowdfunding.

8. References

1. Barringer, B. R. (2019). *Entrepreneurship: Successfully launching new ventures*. Pearson.
2. Bhidé, A. (1999). *The origin and evolution of new businesses*. Oxford University Press.
3. Brush, C. G., & VanderWerf, P. A. (2013). Intellectual property issues in entrepreneurial firms: A review of the literature. *Entrepreneurship Theory and Practice*, 37(4), 855-887.
4. GreenBox. (n.d.). GreenBox business plan. Internal document.
5. Kaplan, R. S., & Norton, D. P. (1996). *The balanced scorecard: Translating strategy into action*. Harvard Business Press.
6. Kotler, P., & Armstrong, G. (2018). *Principles of marketing*. Pearson.
7. Kotler, P., & Keller, K. L. (2012). *Marketing management* (14th ed.). Pearson Education.
8. Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Pearson Education.
9. LegalZoom. (n.d.). LLC vs. corporation 2022: Which is right for your business? Retrieved from <https://www.legalzoom.com/articles/llc-vs-corporation-which-is-right-for-your-business>
10. Li, J., & Li, X. (2019). What makes a business plan successful? The role of entrepreneurial passion and creativity. *Journal of Business Research*, 104, 229-239.
11. Osterwalder, A., & Pigneur, Y. (2010). *Business model generation: A handbook for visionaries, game changers, and challengers*. John Wiley & Sons.
12. Porter, M. E. (1979). How competitive forces shape strategy. *Harvard Business Review*, 57(2), 137-145.

13. Porter, M. E. (2008). The five competitive forces that shape strategy. *Harvard Business Review*, 86(1), 78-93.
14. Porter, M. E. (2008). The five competitive forces that shape strategy. *Harvard Business Review*, 86(1), 78-93.
15. Schaper, M. T., Volery, T., Weber, P. C., & Gibson, B. (2014). *Entrepreneurship and small business* (4th ed.). John Wiley & Sons Australia.
16. Small Business Administration. (n.d.). Writing a business plan. Retrieved from <https://www.sba.gov/business-guide/plan-your-business/write-your-business-plan>
17. Smith, J. K., & Gibson, S. G. (2011). Entrepreneurial marketing: A strategy for the twenty-first century? *Journal of Research in Marketing and Entrepreneurship*, 13(1), 5-16.
18. United States Patent and Trademark Office. (n.d.). Patents. Retrieved from <https://www.uspto.gov/patents-getting-started/general-information-concerning-patents>
19. United States Small Business Administration. (n.d.). Starting and managing a business. Retrieved from <https://www.sba.gov/business-guide/>
20. US Small Business Administration. (n.d.). Writing a business plan. Retrieved from <https://www.sba.gov/business-guide/plan/write-your-business-plan>