

One Search International Ltd.

Group of Five Members.

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Business Plan

Competing E.bay, Amazon, and Ali Baba.

Low pricing Strategy.

Our idea is based on low pricing strategy. We will offer manufacturers and retailers 50% less commission than our competitors.

Retailers mainly purchase products from china where they pay 10% commission to Ali baba than they sell it in the UK on Ebay or Amazon paying 10% and 15% of commission respectively. Whereas retailers also have to pay 5% banking charges to PayPal as well.



Business formation

- We will be offering all patterns of the business i.e. B2B, B2C and C2C. Our website will be facilitating both manufacturers and merchants to buy and sell their goods on one forum. Manufacturers can sell their inventory on our website while paying only 5% of selling commission whereas retailers can buy their stock in bulk on our website and can sell it in retail on same site.
- Our banking charges will also be 50% half than our competitors.
- Our business model also include online Air ticketing along with hotel booking services whereas none of our competitors are offering these services so far. We will direct our customers directly with airlines website. Whereas we are also offering holiday packages to our customers in partnership with air lines.

Aims and Objectives of the business.

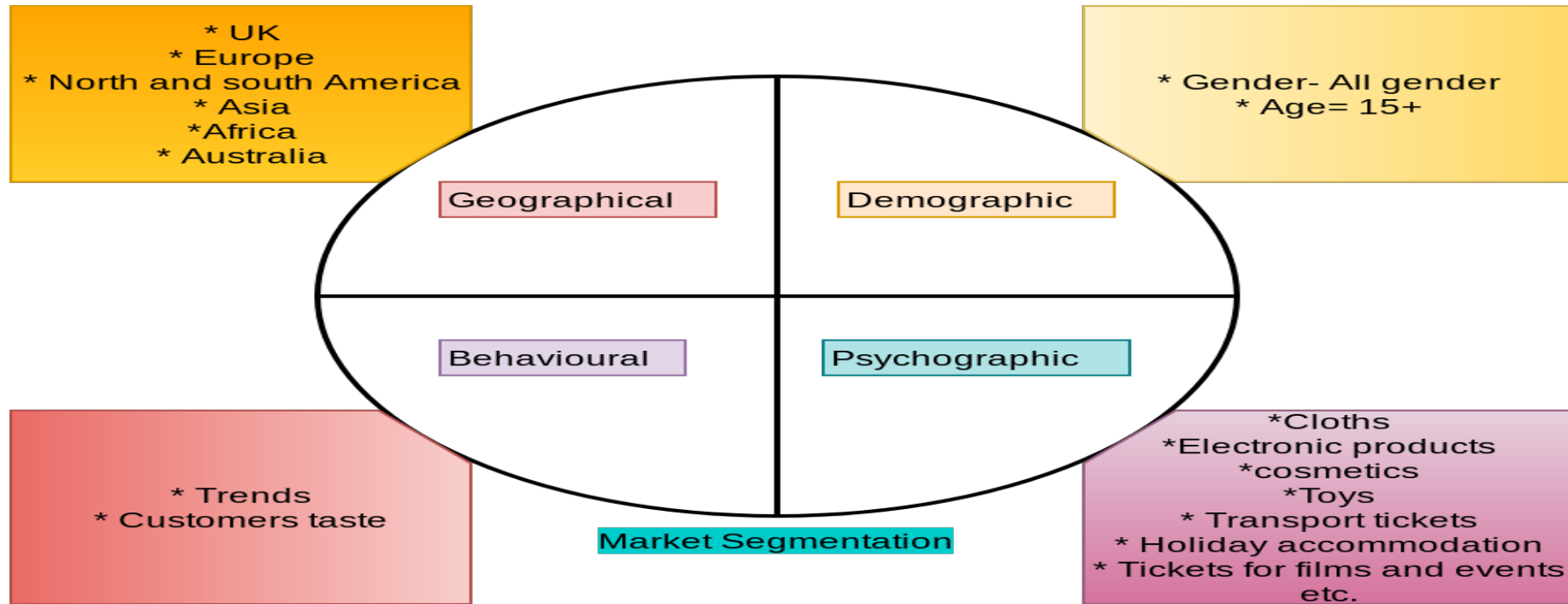
Aims:

- To acquire market share (at least 10%) in first year of our business.
- Offer low cost products and services to end users.
- Our aims is to include more products and services on our forum in coming years.

Objectives:

- Globalisation is one of our long term objective.
- Facilitating our buyers and sellers on same forum (manufacturer can sell in bulk and retailers while buying from same forum can sell their goods in retail).
- Offer Sellers and buyers maximum discount by categorizing them according to their business activity.
- Facilitating our end users (in term of prices) while charging businesses less margin compared to the market.

The purpose doing market research to find out the opportunities, strength, total number of online users, participation of different ages group, most purchased products,. geographical involvement, economical growth.



Market Segmentation

Geographic

- *In 2018, 87% of retail purchases were made online in the UK and it was 9% higher than 2017(Ecommerce News, 2018)
- * In 2018, according to Eurostat, 69% of EU internet users are shopping online (Ec.europa.eu, 2018).
- UK consumers are very well known to respond to social media advertising campaigns. As a result, 40% of British people who have interacted online spend more (Evans, 2019).
- In the year of 2017, 93% British people purchased from online is the last 12 months, 31% of them purchased through online from EU countries and 31% of them purchased from the rest of the world (Adegeest, 2017).
- The use of smartphones or Mobile is rising. It increased by 70% to 73% in the year 2016 to 2017 (Adegeest, 2017).
- 86% of British people using the internet every day and spending an average of six hours. In the month of May 2019, 86% of British people searched their products online and 81% of them wanted to buy something. This is a huge rate and a big potential customer base to start up our business (Evans, 2019).

Country	E-commerce spend per capital
United Kingdom	\$4,201
United States	\$3,428
South Korea	\$2,591
France	\$1,946
China	\$1,855

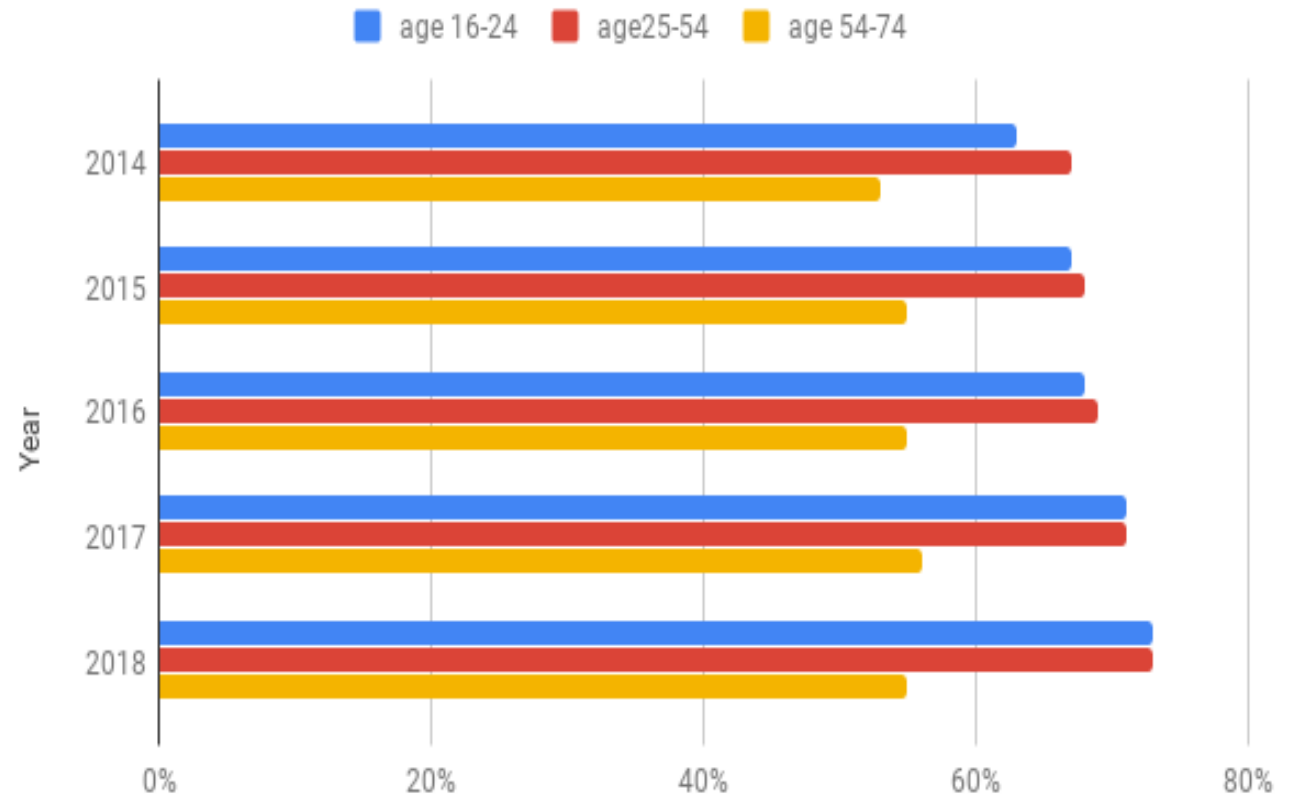
Table: The World's Biggest Online Spenders
Countries (Frisby, 2018)

Demographic

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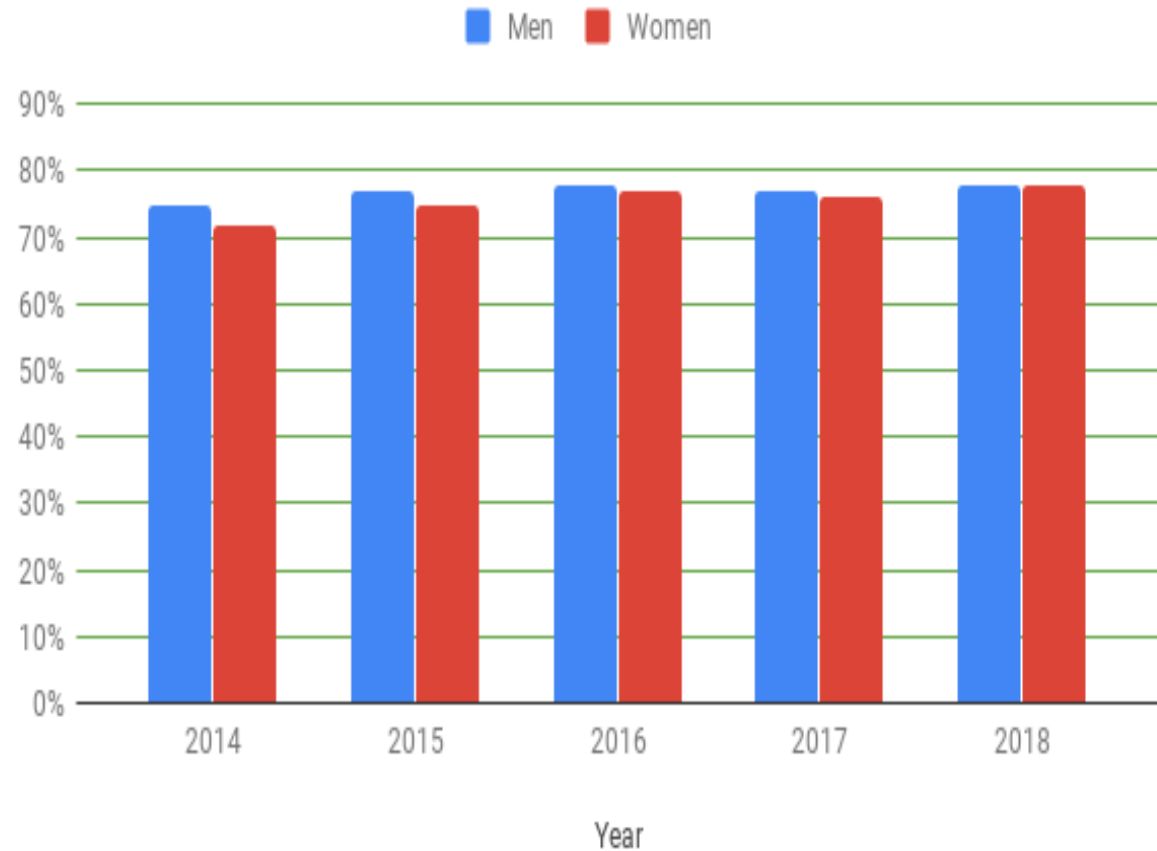
According to Eurostat, in the year of 2014, 63% of online users in Europe was between 16 to 24 years old and in the year 2018 it increased to 73%. Age group between 24 to 54 years old online users percentage were 67% in 2014 and increased to 71% in the year of 2018. Age group 54 to 74 years old people purchased percentages were lower than the age group 16 to 24 and 24 to 54 years old (Ec.europa.eu, 2018).

age 16-24, age25-54 and age 54-74



According to UK Statista, in 2014 the total number of men and women purchased online were 75% and 72% respectively. However, in the year 2018, 78% of men and women purchased their goods from online.

Men and Women



Psychographic:

- A new research study found that Chinese people spend the highest amount of money to do online shopping from their salary, and the UK is in 4th position.
- Online reviews are huge factors when it comes to customers decision making process. Approximately 93% of customers prefer to read the local review before taking a final decision. 85% of British people read and trust the online reviews. A positive review can make 73% of customers trust the product as much as personal recommendations (Jenkins, 2018)
- 57% of the UK online customers habit is using a desktop to order their items, other 25% of them using smartphones and 16% of them using tablets.

Country	% salary of spent online
China	19.34%
Mexico	17.31%
Indoneshia	12.66%
United Kingdom	11.14%
India	10.63%

Source: (Londonlovesbusiness.com, 2019)

Behavioural:

In 2016, the UK was the third largest e-commerce market in the world. The value of e-commerce sales in 2017 was 586 billion British pounds. It is expected that in 2021, approximately 93% of UK internet users going to do online shopping and it will be the highest shopping penetration rate in Europe (www.statista.com, 2019).

ALL E-COMMERCE SALES IN 2017

586.3bn GBP

B2C SALES VIA WEBSITE IN 2017

145.6bn GBP

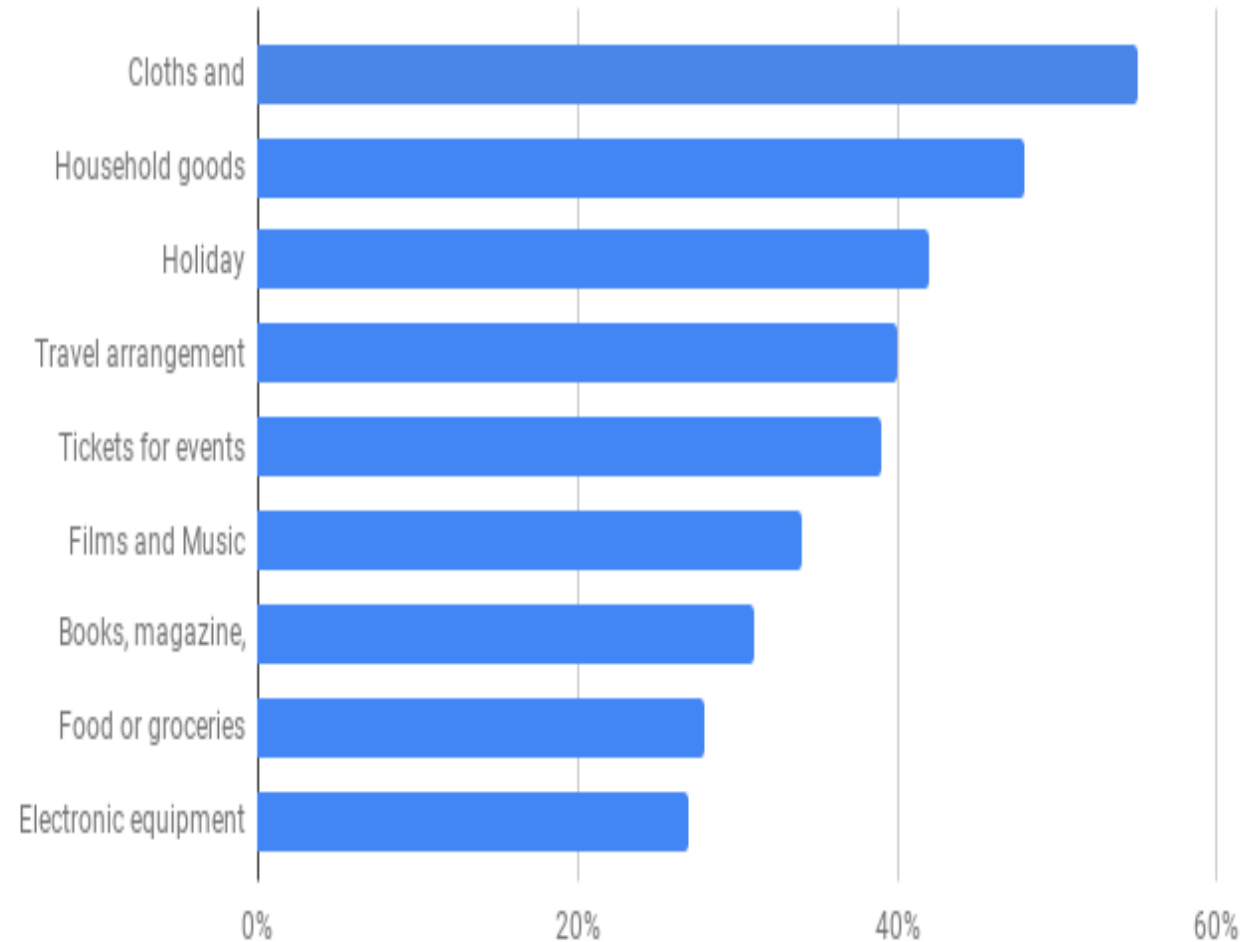
B2B AND B2G WEBSITE SALES IN 2017

133.6bn GBP

➤From the Statistics we can see 55% of British people purchased Clothes and Sports goods, and 48% of British people purchased Household goods by using online platform. After clothes and household items, people spending their money on holiday accommodation (42%), travel arrangements -transport tickets, car hire (40%), tickets for events (39%), films and music (34%) etc.

➤Our company is not only going to create a platform for all buyers and sellers also through our website people can buy transport ticket, films ticket, events ticket etc. All will be in one app. One search will be a solution of billions.

Goods and services ranked by share of individuals who purchased online in Great Britain in 2018



SWOT Analysis

Strengths

- 1. Value for added services
- 2. All products under one search.
- 3. B2B & B2C
- 4. More features in website as compared to other e-commerce giants.
- 5. Price comparison will be available within the business.
- 6. One Search is an incremental innovative company.

Weakness

- 1. Capital Intensive
- 2. Difficult to capture market in initial stage.
- 3. Market presence in the UK FOR 6 MONTHS AND THEN WE WILL START GO GLOBAL.

Opportunity

1. Go global after 6 months.
2. Price is cheap as compared to competitors.

Threats

1. Competitors can disrupt market with low price strategy.
2. Competitors financial power is strong as Amazon generates revenue of \$63.4billion, net income of \$2.6billion and earning per share of \$5.22 compared to revenue of \$52.9billion and earning per share of \$5.07 in 2018.
3. Brexit may affect prices.

Porter's five forces.

1. New Entrants-(Low)

➤ There are no threats as it is difficult to capture market with the same business model for new entrants as One Search Ltd is giving best services with cheap prices.

2. Bargaining power of Suppliers-(Weak)

➤ One Search Ltd is providing services to customers by directly contact with manufacturers and vendors with low profit margin.

3. Threats of Substitutes-(Low)

➤ Customers could get every product in one search with less price and our competitors are providing 15% higher than our company which would decrease the competition.

4. Bargaining Power of Buyers-(Low)

➤ Customers would be happy to get value for added products with one search so buyer bargaining power went low.

5. Threat of Rivalry-(Medium to High)

➤ Well established brands with market share such as Alibaba, Amazon (16%), and EBay (8%) so it would be difficult to develop trust with customers to switch from build up brands to One Search Ltd.

Balance scorecard

Strategic Objectives and Business Map

	Objectives	Measures	Targets
Financial	Increase Revenue	Revenue in Target Market	10% per year
	Increase Profitability	Net Profit in 2020	3% per year
Customer	Provide high quality Services with only 10% percentage of margin	Focus Group user Index	99% clarity in offering products.
	Be First Choice of Customers v/s Competitors	% Market Share Index	
	To provide solution of 5 big problems in online shopping- 1.Shipping is too slow 2.Not enough customer support 3. Return & Exchanges are not free & quite difficult. 4. Does not show enough product details & photos. 5. It is hard to get refund back.	%Customer Satisfaction Index	85% this year
Internal Processes	Wide range of products available under one roof.	New products as % sales	10-12% every year
	Minimize logistic cost by offering both vendors and manufacturers to dispatch product directly to end user.	Cost Efficiency Index	5% per year
	Schedule weekly brainstorming meetings to generate innovative ideas to increase	Brand Awareness Score	25% per year

Cash Flow Forecast

Cash Flow Forecast - 12 Months									
Month:	Pre-Start	1	2	3	4	5	6	7	8
Receipts									
Start Up Capital	100,000								
Expected Investment	300,000								
Cash sales	0	200,000	220,000	242,000	278,300	320,045	368,051	423,259	486,748
Total Receipts	400,000	200,000	220,000	242,000	278,300	320,045	368,051	423,259	486,748
Payments									
Fixed Assets	120,000						120,000		0
Cash purchases	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0
Salaries and wages	0	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Employer's NIC & Pension			4,550	4,550	4,550	4,550	4,550	4,550	4,550
Employee's Tax & NIC			12,210	12,210	12,210	12,210	12,210	12,210	12,210
Rent		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Utilities	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Repairs and maintenance	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Insurance	0	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Transportation	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Telephone	0	350	350	350	350	350	350	350	350
Internet & Computing		100	100	100	100	100	100	100	100
Postage	0	100	100	100	100	100	100	100	100
Office supplies	0	1,500	1,300	1,100	900	900	900	900	500
Advertising	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Marketing/promotion	0	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Professional fees	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Out Sourcing Fee		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Training and development	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Bank charges	0	2,000	200	200	200	2,000	2,000	2,000	2,000
Miscellaneous	0	500	500	500	500	500	500	500	500
Owner's drawings	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
Capital purchases	0								
Other	0		0	0	0	0	0	0	0
Total Payments	120,000	79,750	94,510	94,310	94,110	95,910	215,910	95,910	95,510
Cashflow Surplus/Deficit (-)	280,000	120,250	125,490	147,690	184,190	224,135	152,141	327,349	391,238

Profit and Loss Projection of 12-Month Period

Twelve-month profit and loss projection

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Revenue (Sales)						
Total Revenue (Sales)	200,000	£220,000	£242,000	£278,300	£320,045	£368,051
Cost of Sales						
Purchases	0	0	0	0	0	0
Storage Costs	0	0	0	0	0	0
Total Cost of Sales	0	0	0	0	0	0
Gross Profit	200,000	220,000	242,000	278,300	320,045	368,051
Expenses						
Salary expenses	33,000	37,550	37,550	37,550	37,550	37,550
Supplies (office and operating)	36,200	36,000	35,800	35,600	35,600	35,600
National Insurance	4,550	4,550	4,550	4,550	4,550	4,550
Repairs and maintenance	1,000	1,000	1,000	1,000	1,000	1,000
Car, delivery and travel	1,000	1,000	1,000	1,000	1,000	1,000
Rent	4,000	4,000	4,000	4,000	4,000	4,000
Telephone	350	350	350	350	350	350
Insurance	1,200	1,200	1,200	1,200	1,200	1,200
Depreciation	2,000	2,000	2,000	2,000	2,000	2,000
Total Expenses	83,300	87,650	87,450	87,250	87,250	87,250
Profit Before Tax	116,700	132,350	154,550	191,050	232,795	280,801
Corporation Tax	14,345	17,319	21,537	28,472	36,403	45,524
Net Profit	102,355	115,032	133,014	162,579	196,392	235,277
Income Tax Calculation						

Thank You

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Welcome Your Questions

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