

Enterprise and Entrepreneurship (LCLM4006)

INDIVIDUAL BUSINESS PLAN

Task 1 – Individual Written Business Plan.

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1. Overview of the Business Idea:

The treatment of plastic waste that has been created by a firm that offers significant profits through the use of value offers, client groups, and important partner aspects (Obata and Hiki, 2025). The venture aims at creating a green coffee shop that functions within the zero waste platform and encourages sustainability and social empowerment. The café will serve quality coffee, organic drinks, and light meals in a felt, cozy and social atmosphere with the customers studying, working or having a meeting. One of the characteristics of the business will be a circular waste management approach: organic waste (e.g., used coffee grounds) will be turned into compost and inorganic waste (e.g., plastic wrappers) will also be reused as handicrafts and marketable recycled products. Not only will this decrease environmental impact but also generate more streams of revenue and cement sustainability credential of the cafe. The broader objective is to create a sustainable culture around coffee wherein the environment and the local people would be beneficiaries especially through engaging local people in reusing programs and vocational programs. By so doing, the cafe will not just be a hospitality consortium, but also a social enterprise that ensures environmental stewardship (Binagusto Mochammad et al., 2020).

2. Legal Form and Management Organisation:

The company will be in form of partnership involving the owner(s) of the cafe and the local trained community members who will assist in the recycling and waste-reduction program. This legal form is appropriate since it permits the distribution of the ownership, responsibility as well as involvement of the community and still maintains the flexibility of decision-making. The management is going to be made up of an owner-manager who is going to take care of strategic orientation, finances, and supplier relations, and a small team will be involved in managing customer service, food preparation, and sustainability practices. The women who will be trained on the issue of recycling will play important positions in the management of the wastes, whereby they will convert the wastes into products that will have commercial value. The cafe will be located in a high-traffic urban location, stocked by local ethical suppliers, and digitally powered by payment, inventory, and customer interaction

systems, which will guarantee the efficiency of operations with the sustainability integrated into everyday operations.

3. Environmental Analysis:

3.1. PESTEL Analysis:

The PESTEL analysis is a holistic perspective of the forces outside a business (De Sousa and Castañeda-Ayarza, 2022).

Political: Government policies that encourage sustainable business operations and environmental programs like the Environment Act 2021 in the UK can be used to assist eco-friendly coffee shops using grants or tax benefits. There are also local council regulations on waste management and food hygiene, which will influence the operational compliance (United Nations, 2015).

Economic: Economical factors are the inflation, the interest rates and capital availability. An increase in food and energy prices can lead to an increase in the cost of running the business, and consumer disposable income has an effect on spending on specialty coffee. The economic recovery in the UK after the COVID-19 is also a factor that influences local consumer behaviour.

Social: Growing environmental awareness and sustainability of products among the UK consumers is a huge potential. Such social trends as the popularity of coffee culture, community and ethical consumption coincide with the model of zero-waste of the business (Öberg and Shih, 2014).

Technological: The development of digital payments and online shops, as well as social media marketing, will improve efficiency in operations and reach to the customers. Inventory management and supply chain sustainability can also be supported by using technology (Bocken et al., 2014).

Environmental: It is important to consider climate, i.e., source sustainable coffee beans and use organic waste. The compliance with environmental standards such as recycling and composting conditions will reinforce the brand reputation (UK Government, 2023).

Legal: The law gives legal obligations of adhering to the UK food safety legislation, employment legislation and waste management laws. The applicability of the

intellectual property laws would apply in case of developing branded recycled products (UK Government, 2023).

3.2. Overview of the Major Opportunities and threats:

The opportunities are capitalizing on sustainability trends, participation of community and using digital marketing to access environmentally sensitive customers. Some of the threats include increasing expenses, regulation compliance, and competition by other already established cafes. These aspects will affect strategic choices, including, but not limited to, pricing, choice of suppliers and marketing orientation, to make business resilient and long-term sustainable (Mann and Byun, 2017).

4. Marketing Strategies:

Coffee shop waste needs to be converted into reusable products in order to address the issue at its inception. It should begin immediately in order to make waste-free by 2025. To create an ecologically friendly coffee business, these issues need to be resolved right away. The marketing approach that eco-friendly coffee shop can use to appeal to consumers that are environmentally conscious and at the same time differentiate the business is by providing sustainability programs and community participation as shown in figure (Fonseca and Carnicelli, 2021).



Figure: Marketing approach th.at eco-friendly coffee shop

- **Target Market:** The main target market is made up of students, young professionals, and local residents between 18 and 40 years of age who are concerned with ethical consumption and sustainability and quality coffee experiences. The secondary customers are families and eco-tourists who would want to find community-based cafes with an excellent environmental philosophy (Font-Cot et al., 2024).
- **Product Strategy:** The coffee shop will sell high quality coffee, organic drinks and light foods that are made out of environmentally friendly foods. Minimisation of waste will be achieved by reusable or recyclable packaging and repurpose of organic waste to compost. Also, the handcrafted recycled materials like cup holders and tote bags will improve brand differentiation and provide other sources of revenue (Sumara, 2024).
- **Pricing Strategy:** There will be a value-based pricing model in accordance with the sustainable practices and quality of products of high quality. The competitive pricing will be enjoyed against other specialty cafes and the consumers will be informed about the extra value of environmental responsibility (Irawati et al., 2024).
- **Promotion Strategy:** Digital marketing through the social media (Instagram, Facebook, and Tik Tok) will also be used to create awareness of the sustainability efforts of the café. The partnership with local universities and community activities, as well as influencer, will enhance brand awareness. The customers will be involved in in-store promotions and waste recycling workshops that will make them visit the store repeatedly (Irawati et al., 2024).
- **Place/Distribution Strategy:** The cafe will be situated in one of the high-traffic urban areas offering both in-store service and the ability to order food online and have it delivered or picked up. Local suppliers collaborations will guarantee the use of fresh and sustainable ingredients, and digital platforms will streamline the order process and communication with the customers.

The use of sustainability as a primary marketing element: By focusing on zero-waste service, environmentally friendly packaging, and renewing power to the population, the cafe can be placed in line with the existing social and environmental trends, which are outlined in the PESTEL analysis. This approach will make the café a socially good

brand to appeal to loyal, eco-conscious consumers and support the business growth over the long run.

5. Financial Plan:

5.1. Startup Funding Requirements:

The amount of funding that will be necessary to open the eco-friendly coffee shop is estimated to be at £12,500. Such investment will include the basic items, such as coffee equipment (espresso machines, grinders), furniture and decorations, initial stock (coffee beans, organic ingredients, packaging), advertising campaigns to reach customers in the area, and preliminary rent and utilities. It will also dedicate a part of it to licenses, insurance, and technological solutions, i.e., a point-of-sale system and online ordering platform (Jeong et al., 2014).

5.2. Funding Sources:

The main source of funding will consist of personal savings (£5,000) and a small business loan (£5,000). Personal savings show their dedication and decrease the risk of the investors, whereas bank loan offers more capital to make higher upfront expenses. Additional capital can be sourced through government sustainability grants and crowdfunding campaigns within the local community and to promote participation and community involvement. Such sources are in line with sustainable and community-oriented brand ethos of the café (Takahashi, 2021).

5.3. Projected Startup Costs in the First Month:

Cash Flow Statement (Startup Month)

Cash Inflows	Amount (£)
Personal Savings	5,000
Bank Loan	5,000
Grants / Other Funding	2,500
Total Cash In (A)	12,500

Cash Outflows	Amount (£)
Equipment Purchase	4,000
Rent & Utilities	1,800
Licences & Insurance	800
Inventory / Stock	2,500
Marketing	1,200
Technology / POS Setup	1,500
Total Cash Out (B)	11,800

Net Cash Flow (A - B) = +700

This cash flow statement demonstrate the start-up capital and expenses of the eco-friendly coffee shop within the first month of operations. The closing balance of the business stands at a positive of 700, which shows that the start up capital was efficiently spent without compromising a financial reserve.

5.4. Financial Sustainability:

The sale of specialty coffee, organic beverages, light meals, and recycled handcrafted products will be used to make the revenues. The daily revenue of the business is estimated at average of £350 and after 45 months, the business can break even. Merchandise, workshops and community activities add to revenue and increase profitability. The financial sustainability in the long-term depends on the control of the costs, the partnership with the suppliers and the group of the loyal customers who are drawn to the mission of the cafe that is eco-friendly and community-oriented (Takahashi, 2021).

6. Conclusion:

This coffee shop is an innovative business, as it is environmentally friendly, sustainable, and offers quality coffee and a community interaction. The realistic business plans in terms of marketing, operation, and financial sustainability as is consistent with the existing trends in social and environmental matters. This will able to become independent in managing waste at the coffee shop so that the waste has been sorted and is converted into products that have sale value. And increased their innovativeness and technical competence as processing inorganic waste materials

collected to produce new products and earn more money. The initiative illustrates how sustainable business can be used to enable individuals, generate economic opportunities and also decrease environmental impact. Through community participation, waste management and entrepreneurial training, this business model is practical, innovative and viable in the long term success in the local market.

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