

SCHOOL OF BUSINESS

LONDON CAMPUS

Assignment 2 Evaluation Report

Valentina Petkova 2232604

Entrepreneurship

CODE / LCBB5001

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Introduction

The following evaluation report will provide analysis of The Modern Pet business idea by focusing on several aspects in the business environment and key skills. It will provide motivational factors behind the idea and statistics to support the proposal of this idea. SWOT and PEST analysis will outline integral parts of the decision-making process.

Evaluation of business idea and motivational factors

Overview

The pet fashion industry has grown significantly over the last years. Creating bespoke and high-quality garments and accessories for pets is the idea that revolves around the increased demand for pet clothes. As each pet has different needs, the products required for them would vary in size, comfort, and the taste of their owners, who consider their pets a key member of their family (APPA, 2021).

Motivational Factors Leading to the Choice

Market Growth and Potential

According to the American Pet Products Association (APPA) the demand in relation to pet attire including accessories is the staggering sum of \$103 billion which shows an incredibly high interest in the pet fashion (APPA, 2021). This opens an opportunity for a robust development within this market and allows for the distribution of premium garments for pets. The furry animals have become an integral part of many families and due to that the market is set to become even stronger.

Motivational factors

The expansion of the pet market is unarguably creating a lucrative scope of opportunities to develop both large-scale businesses and focused niche businesses for tailored pet fashion

and owners that are willing to provide premium products for their furry family member. Furthermore, the growing trend for personalized in the products has pushed pet owners to seek more unique items the more closely reflect the personality of both their pets and themselves. Customisation options include personalised designs, unique accessories, tailoring for pets and regular wardrobe updates depending on the needs of each pet. This provision of competitive edge allows for a business to emerge where bespoke value propositions win against mass-produced pet clothes (APPA, 2021). The reason why this differentiation is a key strategic move is answered by the dedication a pet owner is willing to provide towards their loved animal. The details make the difference and many pet owners desire unique items that best match the needs of their pets.

Innovation

Innovation in pet fashion becomes possible due to the incorporation of smart technologies that drive the process towards highly executed and well performed tasks (*Pet Food Manufacturers' Association (PFMA) 2022*). For example, using eco-friendly and sustainable materials, developing sustainable designs and employing further advanced techniques for manufacture enhances the product functionality and appeal. Such examples are pet clothes that display current health metrics. Furthermore, the social media being part of our daily lives now offers quicker distribution of information and exchange of ideas. Collaborating on social media can place the business within an excellent position where visibility, credibility and transparency all play a vital role in the process (*Pet Food Manufacturers' Association (PFMA) 2022*).

Key Entrepreneurship skills, traits and behaviours in business

Below are five key entrepreneurial skills and behaviours which contribute to the success and sustainability of business.

Key skills in business

Resilience

Resilience is the ability to withstand and recover from setbacks, failures, and challenges. For entrepreneurs, resilience is crucial because the journey of starting and growing a business is fraught with obstacles. A resilient entrepreneur can maintain a positive outlook, learn from failures, and continue to pursue their goals despite difficulties. According to Ayala and Manzano (2014), resilience helps entrepreneurs manage stress and adapt to changing circumstances, which is essential for long-term success in the volatile business environment.

Innovation

Innovation involves the ability to generate new ideas, products, or processes that create value. Entrepreneurs who are innovative can identify unmet needs in the market and develop unique solutions to address them. This trait is important because it allows businesses to differentiate themselves from competitors and continuously improve their offerings. Drucker (1985) has emphasized that innovation is the specific tool of entrepreneurship, the act that creates wealth by endowing new resources. Entrepreneurs who innovate can transform industries and drive economic growth.

Risk taking	Entrepreneurs must be willing to take calculated risks to pursue opportunities that others might avoid. Risk-taking is about making decisions under uncertainty and being prepared for potential losses. This behaviour is vital because it enables entrepreneurs to capitalize on new opportunities and achieve higher rewards. According to Timmons and Spinelli (2009), successful entrepreneurs are not reckless but are adept at assessing risks and managing them effectively. By embracing risk, entrepreneurs can propel their business forward and achieve significant milestones.
Vision	Vision refers to the ability to see the big picture and create a clear, compelling future for the business. Entrepreneurs with vision can inspire and motivate their teams, align resources towards common goals, and navigate the company through its growth phases. Visionary leaders are crucial for setting strategic direction and ensuring that all stakeholders are working towards a shared objective. Baum et al. (1998) highlight that visionary leadership is associated with higher performance in entrepreneurial ventures because it provides clarity and focus.

Adaptability

Adaptability is the capability to adjust to new conditions and pivot strategies as necessary. In the dynamic business world, entrepreneurs must be flexible and responsive to changes in the market, technology, and consumer preferences. Adaptability allows businesses to stay relevant and competitive. According to Deakins and Freel (2009), adaptable entrepreneurs can identify trends early, shift their business models, and explore new markets. This trait is essential for sustaining business growth and overcoming unexpected challenges.

SWOT Analysis / Self-Assessment on becoming entrepreneur

Skill Audit		
Core Entrepreneurial Skills	Leadership	Ability to lead a team effectively.
	Communication	Proficiency in both verbal and written communication.
	Financial Acumen	Understanding of financial management and accounting.
	Marketing	Knowledge of marketing principles and digital marketing strategies
	Sales	Skills in selling products/services and closing deals
	Problem-Solving:	Ability to identify problems and develop creative solutions.
	Time Management:	Effective prioritization and management of time.
	Networking	Building and maintaining professional relationships.
Technical Skills	Industry-Specific Knowledge	Expertise related to the specific industry of interest.
	Technology Proficiency	Familiarity with relevant software and tools.
	Project Management	Skills in planning, executing, and monitoring projects.
Personal Attributes	Resilience: Ability to persevere through challenges. Adaptability: Flexibility in adapting to changing circumstances. Creativity: Innovativeness in product/service development and problem-solving. Self-Motivation: Driven to achieve goals without constant supervision.	

SWOT Analysis	
Strengths	Strong leadership skills Effective communication abilities Experience in fashion industry
Weaknesses	Limited financial management skills Lack of advanced technical skills in design software
Opportunities	Growing market for tailored pet fashion Increasing trend of pet humanisation Potential for e-commerce growth
Threats	High competition in the pet fashion market Economic downturns impacting consumer spending. Rapidly changing fashion trends

PEST Analysis / UK

PEST Analysis		
Political Factors	Regulations	The UK has stringent regulations concerning animal welfare, which affect how pet fashion products are manufactured and marketed. Compliance with the Animal Welfare Act 2006 is essential (<i>Statista, 2021</i>).
	Trade Policies	Brexit has changed the way trade policies run, and has affected the import and export of pet fashion products and materials as well as other exchanges. Businesses need to stay updated with the latest trade agreements and tariffs.

Economic Factors	Consumer Spending	Economic conditions affect disposable income and consumer spending on non-essential items, including pet fashion. The current economic climate, influenced by factors such as inflation and cost-of-living crises, can impact sales (<i>Statista, 2021</i>).
	Market Growth	Despite economic uncertainties, the pet care market remains resilient, with steady growth expected due to the high pet ownership rates and the premiumization of pet products.
Social Factors	Pet Humanization	There is a strong trend towards the humanization of pets, where pets are treated as family members. This trend drives demand for fashionable and high-quality pet clothing.
	Demographic Changes	The rise in single-person households and childless couples has increased pet ownership, particularly among younger demographics who are more likely to spend on pet fashion (<i>Statista, 2021</i>).
Technological Factors	E-commerce	The substantial growth of e-commerce has provided opportunities for pet fashion businesses to reach a wider audience. Online platforms and social media are crucial for marketing and sales.

	Innovation in Materials	Advances in materials, such as sustainable fabrics and smart textiles, are influencing the pet fashion industry. These innovations allow for the creation of more functional and environmentally friendly products (<i>Statista, 2021</i>).
	Customization Technology	Technology enabling customization and personalization, such as 3D printing and online design tools, is becoming more prevalent, meeting consumer demand for unique products.

Conclusion

The industry for pet fashion within the UK offers an excellent opportunity as it is driven by strong market demand by consumers that follow sustainable, pet humanisation trends. However, when setting up The Modern Pet business it is still crucial to consider the proper navigation regulations and the challenges within the economic aspect. Remaining competitive within the market is possible due to technological advancements and a thorough understanding of the overall environment. Strategically approaching this business idea after having studied the economic, political and social factors, as well as analysing the skills required to establish a stable and prospering business model is highly possible.

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Appendix

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LONDON CAMPUS

Valentina Petkova
2232604

Assessment 2 - Presentation
ENTREPRENEURSHIP
CODE / LCB5001
Amer Kareem



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2024

The Modern Pet 

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Self-Introduction as Entrepreneur

- BA Business Management graduate
- Driven by innovation
- Opening New Business – Worldwide Operation
- Vision for “The Modern Pet”
- Seeking financial support from Dragon’s Den

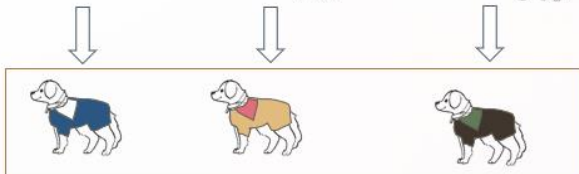


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The Modern Pet 

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Overview of Business Idea



The Modern Pet offers a range of custom-tailored pet attire that not only fits perfectly and looks great, but also matches their owner's style. We offer unique services:

- Custom Tailoring
- High Quality Materials
- Stylish Designs
- Comfort and Functionality
- Health and safety
- Subscription services and renewal of garments when for growing puppies

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Management team plan



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Target Market & Marketing Strategies

MARKETING STRATEGIES

The pet market is experiencing rapid growth worldwide, driven by the increase in pet popularity. In areas of the world like the US alone the pet industry is worth equivalent to **£80 billion**, with a significant part of this being allocated to the pet clothes.



£80 billion



Opportunities for tailored solutions.



Increase in popularity

TARGET MARKET



- Pet Owners
- Aged 25-40
- Urban locations
- Fashion-forward



Direct to consumer sales

E-Commerce platforms – Customised shopping



Partnerships

Wider distribution



Subscription Services

Refreshing your pet's wardrobes regularly



Custom orders

Special events and services

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The Modern Pet

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Competition and differentiation strategies

COMPETITORS

Ralph Lauren Pets
Chewy's Frisco Brand
Pawmain
Ruby Rufus
Petcouture.com

WHY CHOOSE US INSTEAD?

Unique selling proposition (USP)

Unmatched quality for affordable price.

Innovation

Working with emerging technologies to better facilitate your needs.

Quality and Excellence

Loyal to our customers

Branding and Collaboration

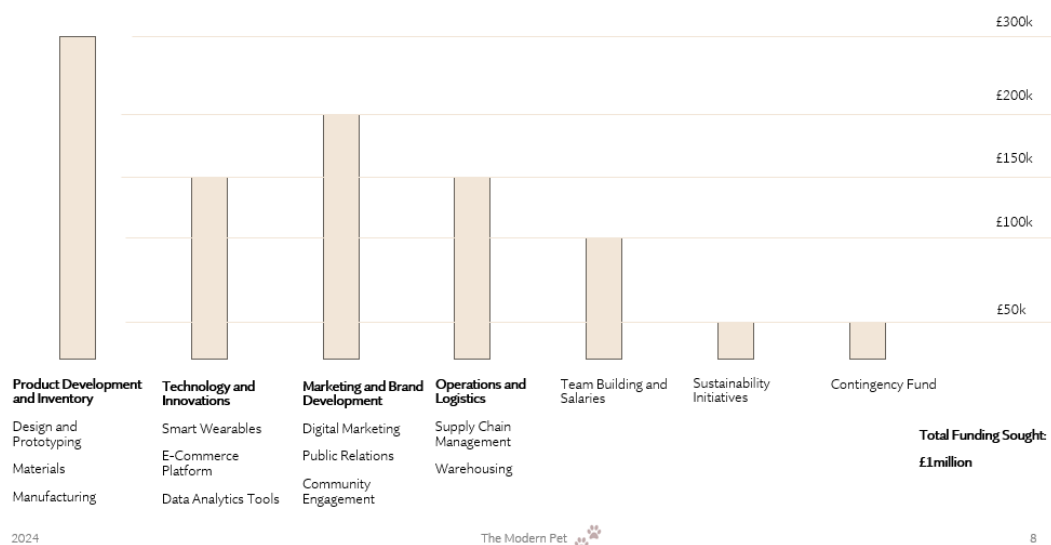
Strong relationships with brands around the globe to deliver excellency.

2024

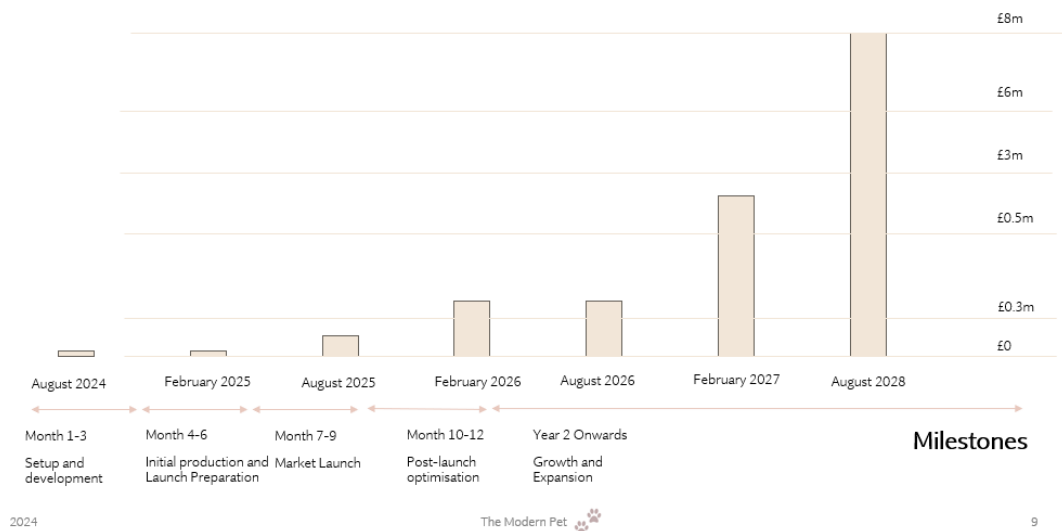
The Modern Pet

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Funding Requirements and Allocations



Expected Growth



Conclusion

By investing initial £1m in the business, you are ensuring that over time the revenue grows and multiplies.

Dragon's Den Investing in The Modern Pet, will unlock new global market chains that will be connecting the UK with the world.

The Modern Pet aims to create a unique approach to pet fashion by ensuring owner's needs for their pet can easily and more comfortably be met.



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The Modern Pet



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Thank you

