

Entrepreneurship

LCBB5001

Assessment 2

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BUSINESS DESCRIPTION / MARKET OPPORTUNITY

UK-based firm Greefy-Foods is committed to making it simpler for busy professionals, families, and individuals to eat healthfully and sustainably. Our mission is to supply people with environmentally preferable alternatives that don't skimp on either flavour or practicality. The value proposition is that The business exclusively uses locally sourced, organic, and seasonally appropriate ingredients to assemble and send ready-to-eat meal packages. Our kits provide everything you need for a quick and easy 30-minute meal that is still delicious and nutritious. By purchasing organic and regionally sourced ingredients, The business helps local farmers and producers and reduces our environmental impact. The business has built connections with local farmers and producers, designed a basic menu for meal kits, and launched a user-friendly e-commerce platform to sell and ship them. The business is a private firm trying to raise capital so that The business can expand and launch new goods. Greefy-Foods is a socially responsible company that values its customers and the community it serves as highly as it values the health of the planet.



INDUSTRY ANALYSIS – Porter's 5 forces

Threat of new entry

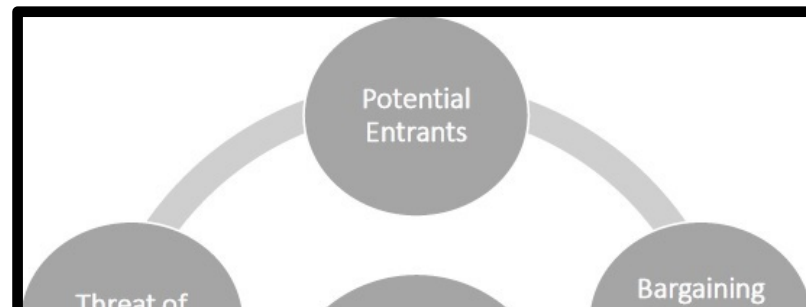
When it comes to new competitors, Greefy-Foods isn't too worried. Pre-made meal kit businesses require a substantial financial commitment due to the high packaging and shipping costs (Björkbom and Nguyen, 2021). In addition, new entrants will need to spend extensively on marketing and branding if they want to capture a significant share of the market from already-established competitors. The food business may face new competitors as a result of the growing demand for organic and sustainable options.

The threat of substitutes

Greefy-Foods is worried about the impact of similar items on the market. Meal kits are one type of fast food that is gaining popularity, but people still cook at home and order takeaways (M&C, 2021). Greefy-Foods stands out from the competition by providing organic and locally sourced ingredients and convenient home delivery.

Bargaining power of customers

Customers have substantial bargaining leverage with Greefy-Foods because of their purchasing power. Pre-made meal kit options are readily available to customers, and they can easily be compared in terms of price and quality (MNT, 2023). If a consumer is unhappy with one meal kit service, they can switch to another service with little hassle. Greefy-Foods faces additional difficulty from the fact that its clients are becoming more price-conscious.



OPERATIONS AND MANAGEMENT TEAM

OPERATIONS

Greefy-Foods will make and deliver meal packages. Organic and locally sourced ingredients will be used to put up meal kits that will be delivered to our customers.

Sourcing Supplies: Local organic growers and purveyors of fine foods will supply us. Our goal is to provide only the finest, most eco-friendly ingredients.

Preparation: After The business purchases the materials, they will be sent to the factory. Our production facility will have a staff of chefs who will pre-portion and prepare the meal packages. Meal kits will include seasoning blends, recipe cards, and pre-portioned ingredients.

Packaging and Delivery: When the meal kits are finished, they will be wrapped in eco-friendly materials and sent out to our clients (Yoon, Gao and House, 2022). The business offers convenient options like same-day and next-day delivery to make sure our customers get their meal kits when they need them.

Equipment: Our manufacturing plant requires standard kitchen appliances such as stoves, ovens, refrigerators, and freezers. The business be investing in specialised tools like vacuum sealers and pre-portioning devices to further ensure the high quality of our meal kit products.

Transportation: The business employs a mix of in-house transport and third-party logistics providers to transport raw materials and finished goods to the manufacturing facility. All of our delivery cars will be eco-friendly electric or hybrid models.

Management Team: The leaders of our company will all have substantial backgrounds in the food and drink industry. There will be a CEO, CFO, COO, CMO, and HOCO (head of culinary operations) in charge of running the business. When it comes to the company's finances and investor relations, the Chief Financial Officer reports directly to the Chief Executive Officer. The COO oversees daily operations and logistics, while the CMO is in charge of marketing and growing the company's clientele. The Head of Culinary Operations's job is to ensure that our meal packages are both nutritious and sustainable. To ensure that our customers always have access to their meal kits, The business will also

MARKETING: The Four P's must be used to describe your marketing strategy

Product: Greefy-Foods sells meal kits for various diets. For busy people who want to eat well but don't have time to cook, our meal kits are convenient, healthful, and sustainable. To fulfil client demand, The business will constantly evaluate our meal kits. To reach more customers, The business will extend our product offers while our product is growing.

Price: Market and competitive research will inform our pricing strategy. The business will price competitively while keeping margins. Ingredients, production, marketing, rent, and utilities will drive our costs. The business will have multiple pricing tiers for different budgets and diets. Our premium organic meal kit will cost more than our ordinary one.

Promotional Mix: The business will utilise a variety of promotions to increase brand recognition and sales. This includes targeted internet advertising, social media, influencer, email, and content marketing. Customer touchpoints and CRM programmes will also be prioritised. This includes personalised meal kit selections, excellent customer service, social media and other customer engagement.

Place (Distribution strategy): The meal packages will be distributed online via their website and third-party delivery companies (CNN, 2022). Our distribution network will be expanded by partnering with local grocery stores and speciality food shops. The business will supply our meal packages quickly and efficiently to develop a solid reputation.

FINANCIALS

Sources of funds:

Greefy-Foods will need a combination of personal resources, crowdfunding, and possibly loans to get off the ground. The business will investigate grant opportunities and other possible sources of financing for sustainable food businesses. As The business grows, The business may seek further funding from angel investors or venture capital firms.

A repayment plan

If The business does decide to take out a loan, repayment in full and on time is guaranteed. The business will choose a suitable loan provider, negotiate terms and interest rates, and create a payback schedule that is consistent with our projected cash flow and revenue streams. Maintaining a high credit rating and ready access to money is crucial, which is why regular loan payments are a key priority (Hiller and Jones, 2022). The business will be able to make loan payments since our repayment schedule will be changed based on how they are able to manage their finances.

Use of funds

Use of Funds	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6		
Revenue (from operations and marketing)	£15,000	£20,000	£25,000	£30,000	£35,000	£40,000		
Fixed Costs	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000		
Rent	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000		
Utilities	£500	£500	£500	£500	£500	£500		
Insurance	£250	£250	£250	£250	£250	£250		
Wages	£250	£250	£250	£250	£250	£250		
Variable Costs	£8,000	£10,000	£12,000	£14,000	£16,000	£18,000		

MARKET RESEARCH

Since Greefy-Foods is establishing a presence in the UK, it is time to investigate the market to identify potential areas of success and trouble.

The following are a few key findings from the market analysis:

Industry Trends:

Business trends have seen considerable growth in the food industry in the United Kingdom. With more people opting for healthy eating habits comes a higher demand for organic and natural foods. There is also a significant demand for vegan and plant-based options (The Guardian, 2020). As a result of the COVID-19 pandemic, there has been a shift in consumer behaviour towards online shopping and home delivery services.

Competitive Landscape:

There is a lot of competition in the UK food market because so many large corporations operate there. Established businesses present a significant challenge to new entrants like Greefy-Foods.

Macro Environment:

Since the end of the COVID-19 epidemic, there has been an uptick in economic and consumer confidence in the UK. The government has established a variety of programmes with the intention of helping businesses and increasing economic activity. But Brexit has produced a lot of uncertainty, which could slow down commerce (Acquah-Andoh *et al.*, 2019).

Opportunities:

Possibilities Greefy-Foods can take advantage of the growing demand for healthy diets and vegan options despite challenges posed by the competitive landscape and the macro environment. The rising popularity of online shopping and home delivery services presents a tremendous

opportunity for the company to broaden its customer base (OECD, 2020). The organisation should also investigate developing relationships with local suppliers to lessen the impact of anticipated import/export restrictions brought on by Brexit.

With its focus on innovative and nutritious menu items, use of simple online and home delivery alternatives, and cultivation of partnerships with regional producers, Greefy-Foods stands a high chance of becoming a big player in the competitive UK food market, according to research.

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