

Managing Enterprise in the 21st Century (BMSW_4006)

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Introduction

Magnolia Bridal Boutique

Natalia Bejenari : Executive Summary and Business Concept

Claudia Buica : Market Analysis, Marketing Plan and Operation

Vera Barbos : Management Team and Management Plan

Oscar David : Financial Plan

Date and venue :

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University of Wales Trinity Saint David



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MAGNOLIA



Business Description and History

- Legal name: Magnolia bridal Shop
- Legal form: Private limited company
- Location: Oxford street, London
- We operate 7 days a week: Monday to Friday 10:00-20:00
Saturday and Sunday 10:00-18:00



Aim and Objectives

- To provide quality services and product that will help us increase sales
- Survive into the next 2 years increasing our profit by 20%
- Building a strong and passionate team with skilled people, this will be our key to succeed
- To increase our capital in the next 5 years by introducing new products, increasing their volume and quality

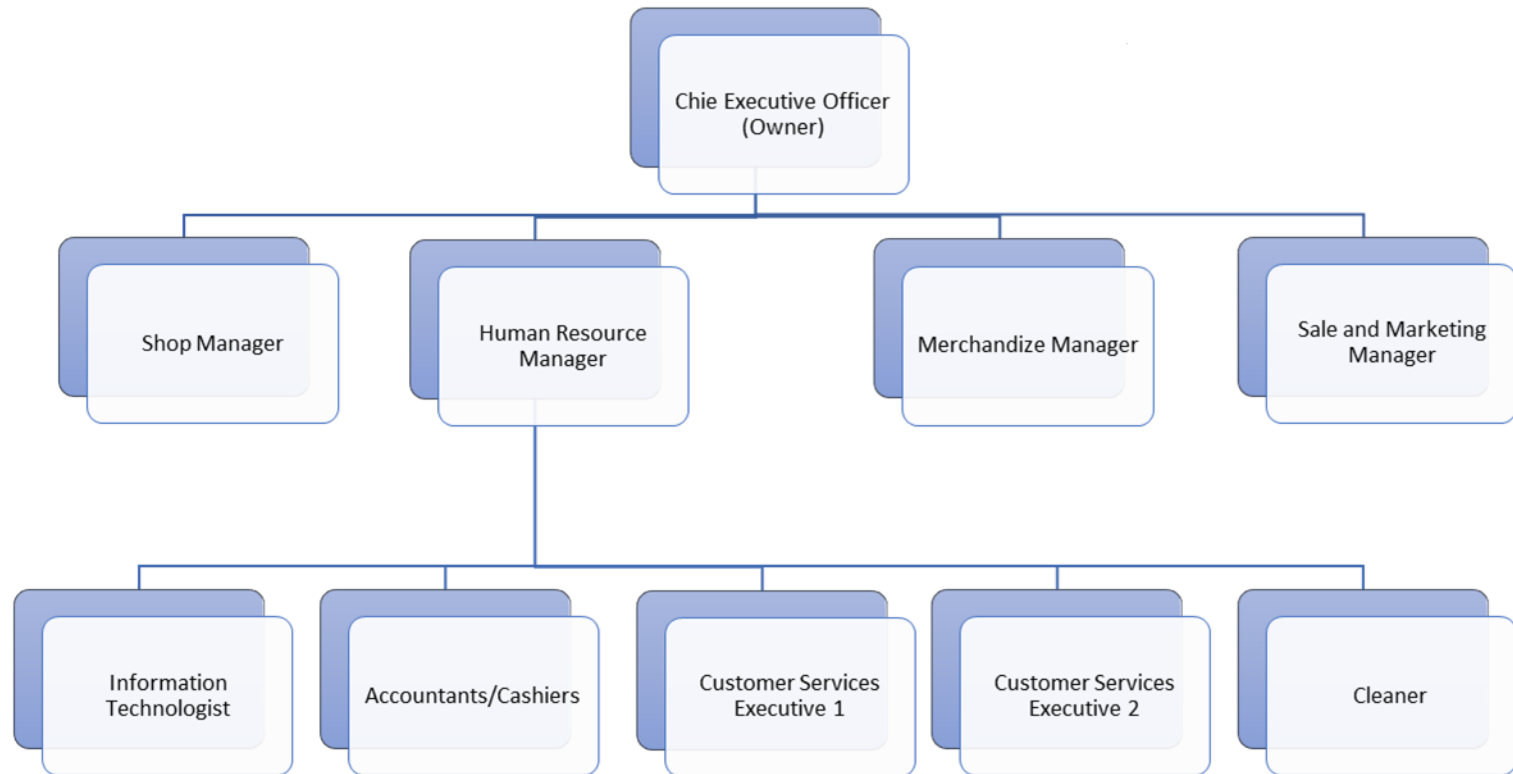


Mission and Vision

- Our vision is to become the leading bridal shop brand
- Our mission is to provide our shop with a wide range of affordable wedding dresses for all brides

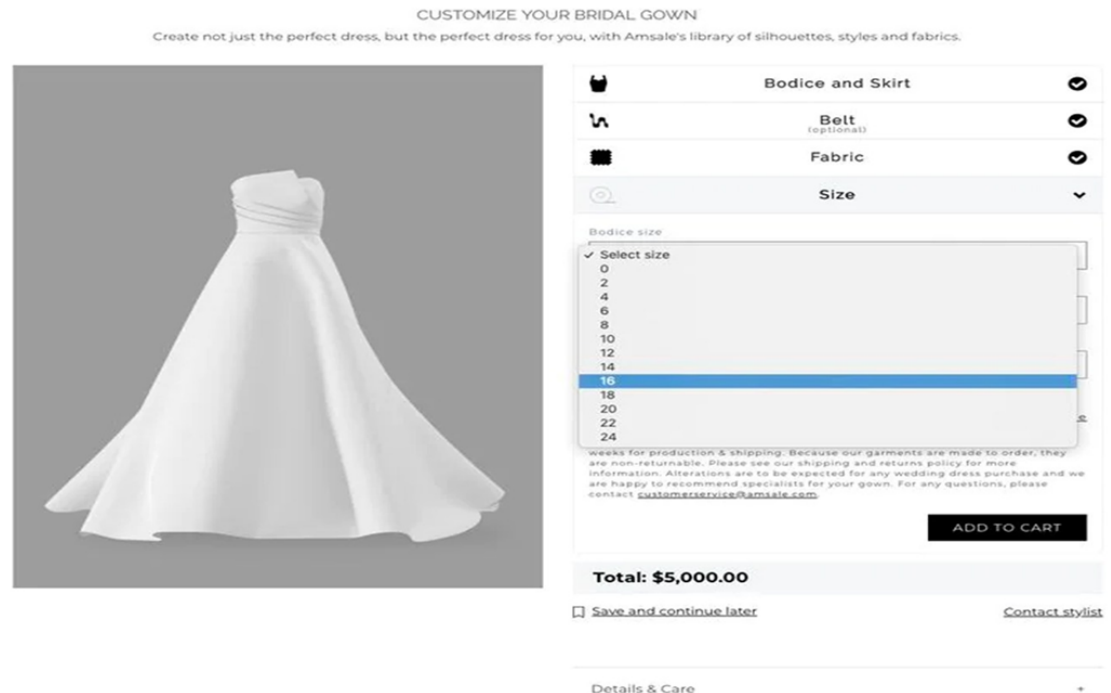


Business Structure



Product and Service Description

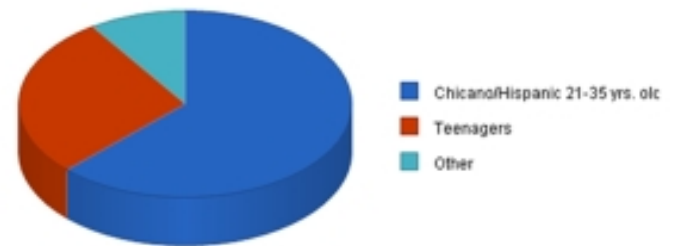
- We use virtual fashion design software to meet our clients' requirements
- Quality wedding dresses, and we use only natural fabric
- We created a website to allow our customers to easily buy our products online or customize their own wedding dresses



Market Analysis and Trends

- A job description for a clothing shop often includes customer service, inventory control in-store, and payment processing.
- For a business, a designer's job is to supervise the research and development of new trends.
- All financial concerns, including keeping and analysing financial records, are handled by the accountant of a corporation (Adrien and Asano, 2021). They may be in charge of duties like balancing bank statements and calculating payroll in order to ensure the company's financial stability.
- An HR needs to influence and inspire the sales department in order to effectively handle and negotiate contracts.

Market Analysis (Pie)



Technological Plan



- A sector that has always depended on innovation and creative expression is suddenly adopting technology at a rate never previously seen, adding more science to the mix.
- The last two to three years have seen an increase in the impact of technology on the fashion industry, particularly where it interacts with customers.
- The practical qualities of technology and fashion are typically the sole factors that purchasers or customers take into account (Chen et al. 2022).



Strength:

- Our location, the business model we will operate (brick and mortar bridal shop and online bridal shop), variety of payment options, wide range of bridal gowns and our excellent customer service culture will count definitely as a strong point for our store.
- Also, our management team members are people who have what it takes to grow a business from scratch – to profitability in record time.

Threat:

- Just like any other business, one of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing / spending power.
- Another threat that may likely confront us is the arrival of a new bridal shop in same location where ours is located. We are not ruling out the fact that unfavorable government policy can also pose a threat to our business.

SWOT Analysis

Weakness:

- A major weakness is that we are a new bridal shop in London where is a lot of comtetitors.
- We don't have the financial capacity to compete with the bridal shops that already have quite a large profit.

Opportunities:

- The fact that we will be operating our bridal shop on one of the busiest streets in London gives us unlimited opportunities to sell our wedding dresses.
- We have been able to carry out thorough feasibility and market studies and know what our potential customers will be looking for when they visit our bridal shop; we are well positioned to take advantage of the opportunities that will come our way.



Management and Organization

Chief Executive Officer – CEO	Increases management's effectiveness by recruiting, selecting, orienting, training, coaching, counselling, and disciplining managers;
Admin and HR Manager	Responsible for overseeing the smooth running of HR and administrative tasks for the organization
Shop Manager	Responsible for managing the daily activities in the store
Merchandize Manager	Manages vendor relations, market visits, and the ongoing education and development of the organizations' buying teams
Sales and Marketing Manager	Helps increase sales and growth for the company

Information Technologist	Manages logistics and supply chain software, Web servers, e-commerce software and POS (point of sale) systems
Accountant / Cashier	Responsible for preparing financial reports, budgets, and financial statements for the organization
Client Service Executive	Ensures that all contacts with clients, provides the client with a personalized customer service experience of the highest level
Cleaners	Responsible for cleaning the shop facility



Social responsibility and sustainability

Machines and equipment will work with electricity

Reuse of materials or recycling



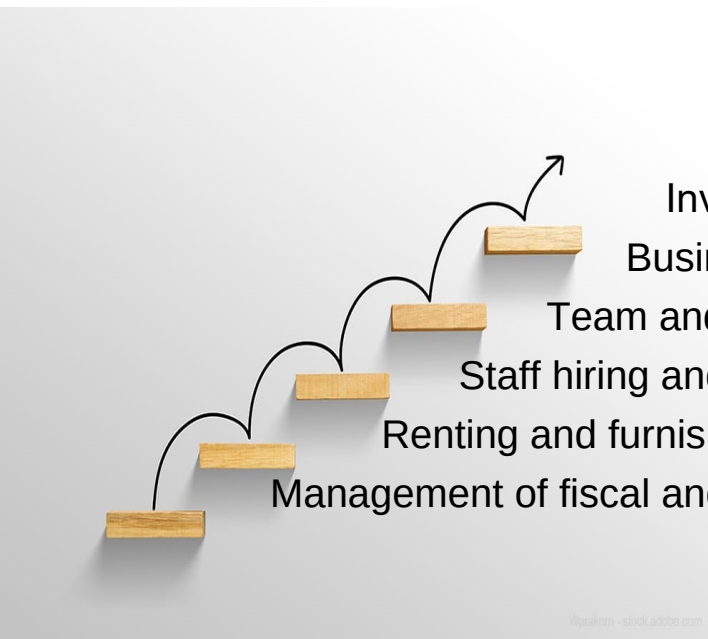
Safe payments

Natural fiber materials

Friendly collaboration



Development, Milestone and Exit plan



Exit plan: liquidation. The advantage: everything will be sold at market value and the remaining money will be used to pay off debts. The disadvantage: We will get the lowest income as an exit plan.



Magnolia's

Financial Plan:

Budget, expenses, investment

1. Balance Sheet Template

2. Break Even Analysis

3. Cash Flow /Funding
Request

4. Cash Flow Forecast/Exit
Strategy



Balance Sheet

- Cash
150000
- Accounts receivable
35000
- Inventory
15000
- Total current
assets
200000
- Fixed assets,
net
34000
- Total
assets
200000 / 250000

16000 +

2

2

Total current Liabilities:

170000

Long term Liabilities:

36000

Owner Equity:

20000

Total Assets: 200.000

Total Liabilities & Stockholder Equity : 226.000

Balance: (26000)



MAGNOLIA

Break Even Analysis

Variable Costs Percentage

- Cost of Goods Sold 20%
- Inventory 15%
- Raw Materials 10%

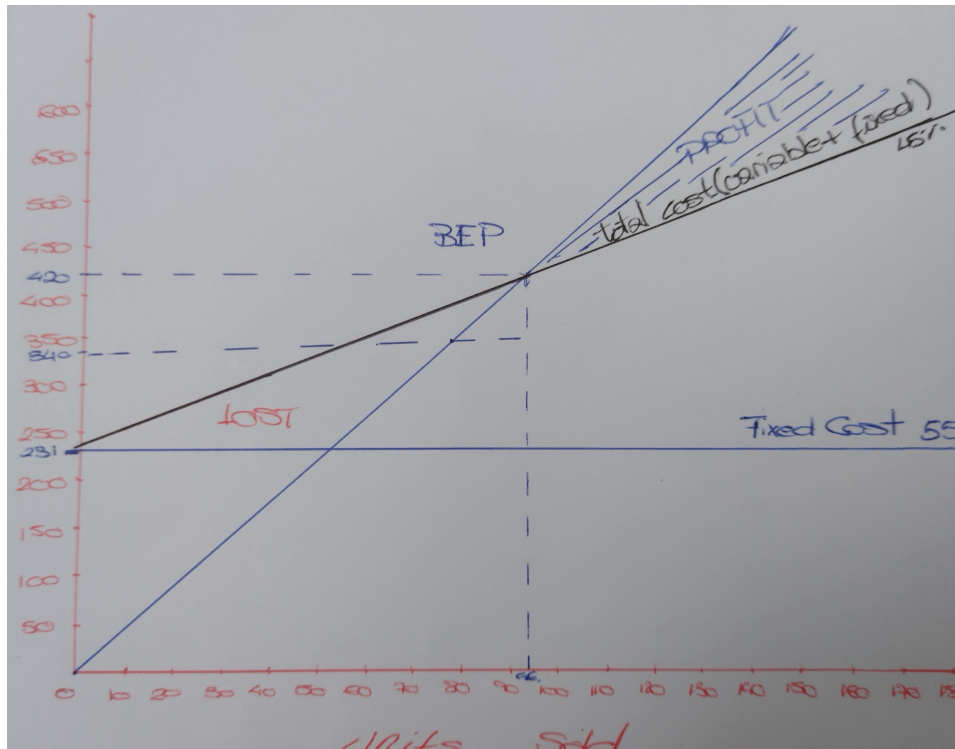
- TOTAL 45%

- Break Even Sales Level :
- £420.000 (Fixed+Variable Cost)

• Fixed Cost Cost

- Salaries(Payroll taxes) 140000
- Supplies 15000
- Advertising 5000
- Rent 36000
- Utilities 12000
- Car,Delivery&Travel 15000
- Others 7000
- TOTAL £231000





BEP(Units): 96
 Fixed costs
 $231K / [(3500) - (1100)] = 96.25$

BEP(Sales pounds)
 Fixed cost
 /contribution
 margin ratio
 $231k / 0.68 = 339.7K$



Cash Flow / Funding Request

- 40% Savings & Friends

25K * 4 : 100.000

- 40% Personal Loans

25K * 4 : 100.000

Govtment Funds

20% : 50.000

www.wbsp.info/

250.000

- 100.00 Cash in Advance, 9 months, 3 months guaranteed.

- 25.000 Cash in Advance, 3 months ,plus deposit.

- 50.000 Goods than can be use as

guaranteed deposits.

250.000 + 175000

425.000 >>> BEP Sales



Cash Flow Forecast / Exit Strategy

- Sales $120 * 3.500 : 420.000$ BEP Sales First Year
- Loans & Interest : - 140.000 , First Year Loan Repaid
- Sales – Loans Liabilities : $420.000 - 140.000 : 280.000$
- $280.000 + 231.000 : 511.000 >>> 420.000$ BEP Sales
- These is the forecast as first year going low , being a bit more optimistic/realistic between seasons the sales could be higher:
- 15 / a month : 180 / first year * 3.500 : 630.000
- $630.000 - 140.000 : 490.000 > 420.000$ BEP Sales/Profits 70.000
- Exit Strategy : Liquidable, Refinance, Sell to a third Party.



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Getting a Handle on Costs and Financial Aspects, pages 376-386, Skills for the Workplace, Andrew Maund, Michaela Schriek, Paul K. Tinkler

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