

RIDE-BY

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Overview

Rideby offers a taxi service in Birmingham City Centre within a 3miles radius. It is accessible through our website and a downloader able app and available to both android and Apple devices.

The Competition

Peddle Me was founded in London 2017 they offer a private-hire and deliveries. Peddle me specialise in film and media duties since they were founded.(Up Council, 2023)

Rickshaw Tour was founded in London 2003 they offer tours, private hire and advertising space on their vehicles. Rickshaw has worked with brands including. Pizza Hut, M & S, Ted Baker and Durex. Also, Rickshaw operate a travel agents (Gov.UK, 2023).

These are Rideby's competition Peddle Me and Rickshaw Tour. Both companies are well established, operate in London and offer a variety of services. Which gives Rideby the opportunity to take a piece of the market and offer the people of Birmingham a cleaner and Greener form of transportation. An environmentally friendly way to ride.

Ownership

Rideby is a Private Limited Company (LTD).

Owned by Company Directors and shareholders.

- Being limited (Ltd) can be financially beneficial for a company's director and shareholders and involves less risk (Up Council. 2023) meaning personal assets are not at risk, risks with no implications to the owner.
- Corporation tax for Ltd companies is 19% and paid annually according to Gov.UK (2023).
- Capital can be raised by issuing public shares
- Register company for VAT (if turnover exceeds £85,000 per 12-month period).
- Set up PAYE scheme which deducts income tax and NI contributions for employees/employers.

SWOT Analysis

A SWOT analysis is a tool used for evaluation (Helms and Nixon., 2010) this model helps a business assess its competitive positioning (Leigh, 2009) by evaluating the internal and external influences. The information provided by the swot analysis can help Rideby improve on its strengths and take advantages on the opportunities. The weakness and threats are external factors Rideby cannot influence .

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Greener, Cleaner.\ Easily accessible to customers. Fastest transport option which saves time for customer. Ideal for short distant travel. Cashless travel. Low-cost fares. Cost efficient	Dependence on technology	Innovative and unconventional services Add delivery services for businesses within city centre Environmentally friendly method of transport	Public Transport (Buses & Trams) Competition

Customer sales and prices

-Target audience are people on their daily commute from new street station.
-Age of target market 25-50. Working class.
-Price will start at £2.50per journey to all customers for the first month only. Month 2 till month 10 journey prices will start at £2.50/£4.00 increasing again to £5.50 month 11 till further notice. According to Gov. UK (2022) Government statistic on the UKs top train station. Birmingham came 8th in the most used train stations of 2022. **22,682,526** people a year use Birmingham New Street Station to commute daily. Numbers of the average daily commuters who travel through Birmingham. **73,874** all day arrivals. **27,586** am peak arrivals. 24,206 pm Peak Departure. The above statistic shows the potential number of customers available to use the Rideby taxi service between their operating times of 7am-7pm.

Operation plan

Here we will look at the day-to-day operation and the Rideby service.

Drivers

- Drivers need to sign in collect bike uniform and helmet
- Check bikes are in good working condition.
- Collect phone.
- Riders are ready for their first pickup.

Customers

- Download app or visit website to book and pay.
- Once taxi is booked and paid for customer will be able to track the rider till point of pickup.
- At the end of the journey customer are requested to give feedback, via app.

Operations team

- Monitor website and Take calls
- Inform employees (riders) of any issue, delays or accidents around the city centre.
- Monthly performance reviews.



Funding

There are a variety of funding available to startups. Each come with their own criteria. The business startup would need around £30000, this would cover uniform, insurance, electric pedal bikes, DBS checks, wages, cell phones, website, app, helmet, security devices, desktops, taxis insurance, liability cover, operation center, vehicle tracking devices, GPS and dash cams .

Business angels are an investing company. The company invests their own money when starting a newfound business. Angel investors provide mentorship and advice for Entrepreneur's. Following on they give time for business to reach profitability before wanting some of the investment back.

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Business Plan: RIDEBY

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Overview

Rideby is a private limited company that offers short journeys to the public, all the customers need to do is connect and book their journey through the app or website. *Rideby* offers the first service of this kind to the people of Birmingham only. *Rideby* are helping to fill a niche in the market serving Birmingham with their ride by taxi service throughout Birmingham's city centre.

The business will start with at least 20 employees, employing more as we gain customers. The business will follow all legal requirements necessary, for the business, the employees, and our customers. Keeping in line with the goals of the business, by offering a greener, cleaner ride. *Rideby's* ideal customers are the working-class individuals using Birmingham city centre for their daily commute to and from work, across a 3mile radius (Appendices 1).

Looking into the future, in addition to the normal peddle taxi service, we intent a delivery service to all the companies in the city centre also on warmer summer days *Rideby* will offer prebooked tours of Birmingham.

Potential customers would need to download the app or use the website to book a journey with us. `Once established rewards based on regular usage of the taxi service will be offered. *Rideby* will promote its services through several types of advertising including sign posting in and around Birmingham city centre, Metro newspaper, inside new street station, BBC Midlands today, Central News and radio.



Picture

from: JX Cycles. Alibaba.

The above picture shows the actual bikes Rideby will be using. Each electric peddle bike carriage taxi cost £780. The Product feature (specifications) is available (Appendices 2). This new efficient way of transportation helps the environment stay cleaner greener.

Introduction

In this assessment students are required to write a business plan viable for future launch and a poster for presentation. The plan must include an overview of the business, the type of ownership and management (if applicable) followed with a SWOT analysis. The business plan will also consider who are the customers as well as the sales, pricing, marketing strategy, operations and finally where we plan to obtain funding for the project.

Ownership and Legal Format

Rideby is pre-launch currently. Founded in 2023 by Monica Pusey. Operating geography; City Centre Birmingham. *Rideby* will be a private limited company start-up with under 49 employees. She has a Degree in Leadership and Management skill for the workplace and is currently studying her master's in general management. Employees include 3x Customer Support Team (Communications and operations), 1x Bike Mechanic, and 15x *Rideby* Riders 1x Website and app designer. As a private limited company *Rideby* need to be registered at Company House which brings benefits with it (Ribstein, 1991) also because the company is Ltd the owners are known as shareholders and have limited liability with no risk (Borzaga, Galera, Franchini, Chiomento, Nogales, and Carini, 2020). All shares are held privately so to buy shares you would have to be invited by the company because shares are issued privately. Profits are paid out in dividends to all shareholders.

Another type of small business is a sole proprietorship which is an individual who goes in business with the intention to make a profit and has complete ownership of the business (Hussain., Millman., and Matlay., 2006. Being a sole proprietor of a business

there is no separation between you the business entity you assume all liabilities and are responsible for all business legal issues and debt. Becoming a limited company deems the owner exempt of liabilities also the company will pay corporate tax which is set at 19% and paid annually. Owners need a business license for this type of enterprise (Jones., Simmons., Packham., Beynon-Davies., and Pickernell., 2014) this all-registered business will need to pay income tax on their profits over a certain amount.

Records would need to be kept too this includes transactions and a record of expenses an external accountant will appointed by Company House.

SWOT Analysis

A SWOT analysis is a tool used for evaluation (Helms and Nixon., 2010) this model helps a business assess its competitive positioning by evaluating the internal and external influences on the micro and macro environment of a business. Using SWOT (Leiber., Stensaker., and Harvey, 2018) to help the business build on its strengths minimise weaknesses seize opportunities while counteracting threats. Liegh, (2009) swot analysis could also be an Instrument for strategic planning for *Rideby's* future.

STRENGTHS	WEAKNESSES	OPPOTUNITIES	THREATS
~Easily accessible to customers. ~Fastest transport option which saves time for customer. ~Ideal for short distant travel. ~Cashless travel. ~Low-cost fares. ~Cost efficient	~Dependence on technology	~Innovative and unconventional services ~Add delivery service to businesses within city centre ~Environmentally friendly method of transport	~Public Transport (Buses & Trams) ~Competition ~ Laws and regulations.

Rideby have many strengths and opportunities they could strategize on. Both the weaknesses and threats are out of the companies control just like the weather. The right marketing strategy would be the tool to sell the service to potential customers.

Customers

The customers are our number one priority and the biggest asset next to our riders. We understand keeping customers satisfied keeps them coming back and they usually bring others with them. We aim to make their connection with *Rideby* as quick and smooth as possible from booking to drop-off. Although the ride by taxi service is available to any member of the public the target market for *Rideby* are patrons following their daily commute to work throughout the city centre of Birmingham. Customer satisfaction is paramount in building our brand. Our customer support team take customers feedback and grievances seriously to create an exceptional service.

Sale/Pricing

Customers can connect by downloading the easy to use My *Rideby* App from the apple store and google play or access our service through the *Rideby* website.

Rideby offers their customers a bike ride taxi service around the city centre of Birmingham. The pricing strategy for *Rideby* is value based and competitive while taking into consideration price sensitivity and customer's needs (Liozu, Boland, Hinterhuber, and Perelli. 2015).

The best model for this type of endeavour which offers its transportation service as and when it is required makes the pricing dynamic because it based on service offered and does not call for a huge investment which makes expansion easier (Hinterhuber, 2008). The penetration pricing strategy is used by many startups. It is designed to help a business win over customers while gaining market shares quickly. This strategy allows a business to offer products or services at a low price, initially to win customers. Pricing gradually increase as the business grows reaping more profit in the long-term. However, using penetration pricing can cause losses in the initial stages of a startup

while presence is being established. It also encourages product or service trials and increase sales volumes.

Startup-cost per journey

£2.50pp all fares introductory price

£2.50/ £4 maximum

£2.50/ £5.50 maximum

The intention is to win over the public transport users as well as the train and metro users working in and around Birmingham. The target audience are the working class on their daily commute to and from work and any other individuals who book a ride via the app.

Projected Earnings for the first 12 months from launch.

Description of cost/sale figures	Rideby Electric Peddle Bike Taxi's											
	12 Month Prediction											
Cash received through taxi services	1 Apr	2 May	3 Jun	4 Jul	5 Aug	6 Sep	7 Oct	8 Nov	9 dec	10 Jan	11 Feb	12 Mar
Starting Cost per journey	£2.50	£4	£4	£4	£4	£4	£4	£4	£4	£4	£5.50	£5.50
Estimated Sales Per hour, Per Rider	£10	£16	£16	£16	£16	£16	£16	£16	£16	£16	£22	£22
Total Income per month Includes sales from all 15 riders.	14,400	17,280	16,320	15,360	17,280	15,360	16,320	16,320	15,360	17,280	21,120	21,120
Total income per year	£91,200 before Tax											

Marketing Strategy

The marketing strategy is an organisation overall plan on how to reach perspective consumers and turn them into customers while increasing sales and achieving sustainable competitive advantage (Burns 2007). Marketing strategies consist of research, development and communication of marketing plans which meet the business goals and objectives. There are many theories and tools available to

business's enhancing components (Gossen., and Kropfeld., 2022) of your business market mix and cover the 4ps price, product, place, and promotion. According to Roggeveen., and Rosengren., (2022) it helps you define the marketing options, so the offerings meet the specific demand and needs of your customers. A well implemented strategy optimizes and leads the desired efforts of a public relations campaigns (Vărzaru., 2022).

Marketing Strategy 4P's

1. Price	Introductory price £2.50 to help grow the market. Raising to £4 in month two and £5.50 from month 11.
2. Products	Downloadable app Website Electric peddle bike taxi with rider
3. Place	In and around Birmingham City Centres inner ring roads
4. Promotion	Advertising in the Birmingham Metro, Birmingham train station, <i>Rideby</i> face book page, Surveys-feedback, competitive intelligence, website, app. Face to face promotion (promote to business dwelling in the city centre. Central / BBC news who broadcast across the West Midlands Birmingham radio

Operational Plan

Rideby has an app and Website for the service it provides. Bookings can be taken on both platforms with secure payments to keep customers safe. Once *Rideby* journey is booked potential customers can track riders' location while app is open. The GPS allows rider to give accurate time of arrival. Minimum of 20 employees to start, all Disclosure and Barring Service (DBS) checked, each employee receives a uniform which staff members part-pay 25% towards. Uniform includes t-shirt, weatherproof trousers, helmet, shower cap for hair protection, weatherproof jacket, and gloves all with *Rideby* logo. Employees work 6hour shifts, workday starts a 7am/1pm and ends 1pm/7pm. Work week is five days Monday to Friday. Each rider is given a work mobile phone with GPS to stay connected with management, other riders and find potential service users. The carriages also have GPS fitted so we know where our riders are. Each carriage holds two people maximum.

Operations team members who will take care of day-to-day operations including taking calls or deal with grievances, setup work rotations for riders and general running of the business and upkeep of the electric peddle bikes.

All bikes have tracking devices. Bike Taxis's are stored at a local secure carpark at a charge. Maintenance of bike taxis is taken care of by our in-house bike mechanic.

Startup Finance

Having poor credit can stops your chances for getting finance for your startup. Once you understand your business idea you must right down what is needed such as an office space, employee's, equipment, a website designer and so on. The financial part of your business plan should express the number of finances needed. If you need help to get funding There are several types of finance available for a startup each have their own criteria including,

- >Government (National or Local) including backed loans and grants to encourage local community to grow.

- >Crowdfunding (sell share to raise money).

- >Commercial Bank (Business Loan).

- >Angel investments-Shark tank (shared risks).

- >Venture capitalists (shared risks).

- >Personal funding (borrow money from friends and family).

After research, the two I would consider are Angel Investment and the Venture Capitalists. Both these investors aim to help share the burden of the business, offer mentorship, resources, and financial advice. Also, both these investors gain a stake in the business.

1. Angel Investments

Entrepreneurs connect with Angel Investments to access investment opportunities. Angle investors invest their own money into small business in exchange for a small share of the business. Investor also offer support and mentoring related to the sector and finances to help the business achieve growth. Angel investors are all certified and follow stringent regulations and are not permitted to take more than 30% of the

business they are investing in. One thing to be aware of is that having an investor is not a guarantee a business will achieve growth (British Business bank. 2023).

2. Venture Capitalists

Venture Capitalists are private equity investor that provide capital for an equity stake. They also offer advice, resource, and connections. Capitalists prefer to invest in business with high growth potential. Venture Capitalist tend to fun start-ups or a small business that want to expand (Harvard Business Review. 2021).

Looking at the future growth of *Rideby* the above investors would work well for and with the business's future growth.

Rideby the Taxi's for the future, cleaner, greener ride.



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Appendices 1

Map of Birmingham City Centre



Appendices 2 JX Cycle taxi Specifications.

JXCYCLE

- PRODUCTS SPECS -

Type:	JX-T02A
Brake/Front:	V brake
Brake/Rear:	Hydraulic disc brake
Driveline:	Chain (KMC)
Drivetrain:	7 gear Shimano speed
Loading Capacity:	280KGS
Cradeability:	35°