



LCBB5001

Assessment 2

Entrepreneurship

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BUSINESS PLAN TEMPLATE

BUSINESS DESCRIPTION / MARKET OPPORTUNITY

Virtualthy is an application that will emphasise providing proper training to health professionals and give them a wide knowledge of updated methods to tackle the COVID-19 crisis and issues that patients are facing. It focuses on collecting their data for evaluating COVID-19 cases and informing people to implement effective practices that can assist in avoiding the symptoms. The headquarter of the start-up company is in England, the United Kingdom. Its *mission* is “*to deliver knowledge and training about updated skills and expertise needed to treat coronavirus disease in an affordable manner*”. The *vision* of the company is “*to enhance the human performance by providing the right way to tackle the disease that affects human life*”. This focuses on providing training and learning for different kinds of diseases that are dangerous for human health and getting training for those is hard for medical professionals. The company will provide services to the doctors and nurses to understand the human body and its responses while or after the treatment of the COVID-19. The application will use AI, VR, and AR to allow the nurses and doctors to learn medical practices by developing a feeling of a room with real patients and producing results in real-time. It will assist them to learn required skills without gathering in a specific place that will maintain the social distancing.

The emergence of COVID-19 has summarised that it is important for health professionals to learn new and updated skills for developing their knowledge regarding diseases. Total coronavirus cases in the United Kingdom are about 19 million and deaths due to the diseases are about 184,000 as of 2022 (bbc.com, 2022). This could have been avoided if doctors and nurses gained the prior knowledge and techniques to treat the disease. Hence, Virtualthy is a necessary application that can provide the right knowledge and understanding regarding the disease.

Ownership structure refers to the analysis of internal business operations and its entity that delegates duties and oversee the appropriate functioning of the workforce to reach the organisational goals and objectives (Din *et al.*, 2021). This is important for start-up businesses to distribute the roles and responsibilities in order to escalate the profitability of the company. Ownership is divided into four main parts such as partnership, sole-proprietorship, corporation, and Public Limited Company (PLC). Virtualthy will operate

with a **Partnership Organisational Structure**, which includes two or more people as owners and shares profits, responsibilities, liabilities, and losses that are generated by the business (Baghban *et al.*, 2020). It is important for the Start-up business because it is easier to form and shares risks that emerge due to the failure of operations.

INDUSTRY ANALYSIS

Porter's five forces are considered as the framework that assists organisations and marketers to assess the industry and several forces that can influence the business progression (Bruijl, 2018). It is important for determining the aspects that can shape the company by taking effective steps to strengthen their businesses.

The threat of new entry (MODERATE)

New entries in the market result in disruption of the work processes of organisations that affects their competitive advantages in the market (Mugo, 2020). They come up with new and innovative ideas to solve the problems of potential customers, one of the threats for the company can be a capital requirement. Virtualthy is a start-up organisation and considered as the new entry, thus, it should analyse the potential barriers that can hinder its entry into the market. The Healthcare Education market will have a great opportunity for the new businesses as it will be worth about \$ 125.2 billion around the world by 2025 (prnewswire.co.uk, 2021).

The threat of substitutes (LOW)

The threat of substitutes can be conceptualised as an investigation of new products or services that can fulfil the customer's needs and expectations (Baxter, 2019). Several aspects that can be a substitute threat for Virtualthy are cost differences in substitute products or services or customers' habits to use a variety of products or services. The potential substitute product for Virtualthy can be e-books, online videos, training sessions and many more. Virtualthy will use AI, AR, and VR that intensifies the customers' experience with an affordable price, hence, it has low threat.

Bargaining power of customers (MODERATE)

The bargaining power of buyers is responsible for the pressure that businesses face due to the high demand for high-quality products or services and decreasing prices (Mugo, 2020). Virtualthy will provide high-quality services to its potential customers at an affordable price that looks after upskilling the health professional expertise. Thus, customers of Virtualthy have moderate power for bargaining and may face some difficulties while influencing the industry. This is because the need for these kinds of services is high due to emerging COVID-19 variants and crisis due to it.

Bargaining power of suppliers (HIGH)

The high bargaining power of suppliers can influence the market and decrease the profit of the organisation as it results in demand for high prices for the raw material, reducing its availability in the market, or disrupting the supply chain (Bruijl, 2018). Some of the organisations control the supply chain and can lessen the competitiveness within the market that can harm Virtualthy. Hence, the start-up should focus on developing and including various suppliers for continuous supply chain and raw materials availability. Whereas, the corporation may face a high bargaining power of suppliers because it is a start-up and does not have enough capital to include many suppliers.

Competitive Rivalry: who are your main competitors and how can you differentiate yourself from them (HIGH)

The competitive rivalry may influence the market adversely as they will focus on reducing the prices, enhancing the advertising channels as compared to their competitors will affect the business processes (Baxter, 2019). This can be avoided by analysing the potential steps of the competitors that can be taken for gaining advantage and by enhancing the work processes for competing against the main competitors.

Name of competitor	Differentiation
VIRTI	Virti facilitates the learning method of health practitioners by giving them a tool that is based on VR, AR, and AI to help nurses and doctors enhance their knowledge regarding elevating human performance (Juetten, 2021). Whereas, Virtualthy not only focuses on improving the knowledge of health professionals, it also provides the tool that monitors patient's health, which can be crucial during the pandemic.

OPERATIONS AND MANAGEMENT TEAM

OPERATIONS

Operations in a firm are explicated as the daily activities in the organisation to develop innovative value and achieve the main objectives of the company (Dorfman and Henderson, 2018). Managing operation is an essential approach that can succour the business to manage and control its goods or services to deliver them on time. Virtualthy will focus on implying the gamification processes to help the doctors and nurses feel like they are operating with real patients. The company will concentrate on gamification more as they need to create a high appeal for increasing the learning process and enhance the knowledge without any difficulties (Gudiksen and Inlove, 2018). As the name conceptualises, Virtualthy will emphasise creating a virtual atmosphere for the doctors and nurses that can be accessed through the technologies like AR, VR, and AI. At the first stage, the company will focus on investing in its Research and Development Department that will analyse the market and enhance the business processes.

In accordance with, to access the supplies, Virtualthy will focus on hiring the appropriate professionals for software, data analysis, project management and other technical professionals. The key equipment that the firm will need are laboratories, tools, and other technical materials for product development and for service purposes, top professionals will be hired to train the doctors and nurses for treating COVID-19. The corporation must reach its customers and that will be accomplished with the application of online technologies. Most people are active on the internet after the emergence of COVID-19.

Hence, the company should focus on advertising its brand, products and services on the internet that will enhance its business and increase its chances to get success. Virtualthy will generate revenue by selling its products and charging for its services every month.

MANAGEMENT TEAM

The management team in a firm is defined as a group of highly-skilled professionals that oversee to manage the different departments of the company and increase the business performance with the help of their managing skills (Zhang, 2019). It is an essential approach that will help Virtualthy to intensify its business operations.

Name	Skills	What do they bring to the firm
FOUNDER	Leadership skills, and vision for long-term success.	Will oversee to manage the business operations effectively.
MARKETING MANAGER	Effective communication, creative, and analytical skills.	Will analyse the market to assess the right customer segment and distribute the products or services.
HUMAN RESOURCE MANAGER	Managing teams, and providing training.	Concentrate on hiring, selecting, and providing required training to the employees.
CHIEF FINANCIAL OFFICERS	Financial Planning, analytical skills	Analyse and assess the financial statements of the company to operate properly.

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

Marketing Mix is a model that focuses on the multiple areas of strategies and tactics implemented by the organisations to promote their services or products by analysing their process of marketing (Thabit and Raewf, 2018). This is necessary for comprehending the services or products that the company needs to offer their potential customers and executing attentive marketing strategies.

Product: Brief description of your product

Product or services are referred to as one of the most important components that should be included in the organisation for appropriate functioning (Niazi *et al.*, 2021). The product or services that Virtualthy will oversee to provide their customers, which mostly are health professionals is an application that will be based on technologies like AR, VR, and AI. It will assist them to gain knowledge about the diseases that are difficult to be treated and develop an atmosphere that will enhance the skills of doctors and nurses to tackle the crisis due to diseases like COVID-19.

Price: How much would you charge for your product and what is the basis for the price chosen?

Price refers to the value that is charged to the consumers for receiving any products or services and it should be prioritised while setting up the business (Thabit and Raewf, 2018). Virtualthy should focus on using the value-based pricing strategy to implement in the market as it provides services that are of high quality and has high value during the COVID-19 period. This will help them to generate high revenue and reach their organisational goals as well.

Promotional Mix: What techniques would be used in promoting your product?

Promotion in the marketing mix is referred to as the way of communicating for boosting the product or service growth within the market to enhance the brand recognition process among

the customers (Niazi *et al.*, 2021). It can assist Virtualthy to improve its brand reputation and facilitate the process of encouraging customers to buy the products or services. Virtualthy can focus on promoting its services or products with the implementation of online sales. It will be useful as the global internet penetration rate was about 60% as of January 2021 (statista.com, 2021).

Place (Distribution strategy): How would your product be distributed?

With the concept of Marketing Mix, the place is regarded as the geographical location where the company focuses on selling its products or services that incorporate most of the target audience (Al Badi, 2018). Virtualthy should focus on targeting the locations where the potential customers are located and will be motivated to acquire that. Several places where the company can sell their products or services are hospitals, medical training centres health institutes.

FINANCIALS

Virtualthy operates in the health sector and the United Kingdom government has several opportunities for start-up businesses to encourage entrepreneurship within the country. The company can apply for the start-up loan plan that is provided by the government of the United Kingdom and they can acquire from 500 GBP to 25,000 GBP to start and grow the business for achieving success in future (gov.uk, 2022).

Advantages

This source of funding will help businesses to acquire the right capital for the operation of the corporation, this can help in building the credit, and retain business ownership (startuploans.co.uk, 2021).

Disadvantages

It is a difficult approach for the businesses to carry on and this can restrict the cash flows, which can put the personal credit at risk.

USE OF FUNDS

	Month 1 (GBP)	Month 2 (GBP)	Month 3 (GBP)	Month 4 (GBP)	Month 5 (GBP)	Month 6 (GBP)
Revenue (from your operations and marketing section)	1000	1200	1400	1500	2000	2100
Fixed Costs (List out your fixed costs) Department Rent Loan Payment Property Taxes	400	400	400	400	400	400
Variable Costs (List out your variable costs) Department Equipment HRM Wages	350	400	550	1000	1200	1300
Profit	250	400	450	100	400	400

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