

TASK 1

Module Name: Entrepreneurship

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BUSINESS IDEA: Handmade Decorative Product

Resin Craft Art LTD is a UK- registered company that has been operating for six months ,specializing in the production and sale of handmade decorative items crafted from epoxy resin , ceramic powder and scented natural soy wax candles.

The business operates within the small and medium – sized enterprise (SME) sector and forms part of the creative and manufacturing industry in the United Kingdom.

The business idea emerged from the identification of a market opportunity within the UK for handmade , personalized and sustainable products . In recent years , UK consumers have demonstrated an increasing preference for unique , handcrafted items that offer both aesthetic and emotional value , while also minimizing environmental impact .

This shift in consumer behavior reflects a growing emphasis on authenticity , quality and environmental responsibility.

For example , the use of natural soy wax instead of traditional paraffin wax directly responds to the rising demand for eco-friendly products that are perceived as safer for health and less harmful to the environment . By combining artistic design , sustainable materials and product personalization , Resin Craft Art LTD aims to meet the growing demand for premium decorative items that differentiate themselves from mass-produced alternatives.

PRODUCTS and SERVICES

Resin Craft Art LTD offers three main product categories , all of which are handmade and available for personalization .

1 The first category consists of fully handcrafted epoxy resin products. This includes jewelers , home decorative items , personalized clocks and variety of custom-made

decorative pieces designed according to customer preferences. Each product is unique as it is created based on individual choices regarding color , design and decorative elements.

2 The second category comprises items made from ceramic powder , characterised by modern and minimalist design. These products include decorative trays , figurines and other interior decor objects. Similar to the resin products , ceramic powder items can also be personalised to meet specific customer requirements , enhancing their uniqueness and perceived value.

3 The third category includes handmade scented candles made from natural soy wax . These candles are produced using carefully selected fragrance oils , allowing customers to choose their preferred scent. The candles are designed not only as decorative elements but also as products that provide a pleasant sensory experience , contributing to a refined and relaxing atmosphere. By offering diversified product categories and emphasizing personalization and craftsmanship , the company aims to deliver added value to customers and differentiate itself from standardized mass-produced alternatives in the market.

BUSINESS OBJECTIVES

The objectives of Resin Craft Art LTD are formulated in accordance with the SMART framework (Specific , Measurable , Achievable , Relevant and Time- bound) , ensuring structured and sustainable business growth.

Short-term Objectives (within the next 6 months)

1 To maintain and increase the retention rate of existing customers by offering new product variations and enhanced personalization options , aiming to achieve a minimum customer retention rate of 60%.

2 To increase monthly revenue by at least 30% within the next 6 months in order to reinvest in business development and operational capacity.

3 To strengthen brand awareness within the UK market by expanding online presence (social media and website platforms) , targeting a 40% increase in followers and customer engagement.

Long-term Objectives (1-3 years)

1 To expand sales across European markets through e-commerce , with the objective that at least 25% of total orders originate from outside the United Kingdom.

2 To establish partnership with a minimum of three physical retail stores or distributors within 3 years.

3 To open a dedicated workshop that will enhance production capacity and allow direct customer interaction , enabling clients to view and select personalized products in person.

These objectives can be measured through key performance indicators such as total number of orders , customer retention rate , monthly revenue growth and geographical sales expansion.

UNIQUE SELLING POINT (UPS)

The primary differentiating factors of Resin Craft Art LTD within the UK markets lies in the fully handmade nature of its products. Unlike mass-produced items manufactured through standardized production processes , handcrafted products cannot be replicated identically . Each piece is individually created , significantly reducing the likelihood of two identical items existing in the market. This inherent uniqueness provides customers with a sense of exclusivity and authenticity.

Another important competitive advantage is the high level of personalization offered. Customers are able to select colors , design elements , fragrances and decorative details , ensuring that each product reflects their individual preferences. This level of customization enhances both the emotional and perceived value of the product , strengthening customer satisfaction and loyalty.

Furthermore , the use of eco-friendly materials , such as natural soy wax , supports the company's positioning within a sustainability – oriented market segment. While many decorative products are mass-produced using conventional materials , Resin Craft Art LTD offers distinctive items crafted from carefully selected materials with a focus on environmental responsibility. The brand identity represented by the “MB “ logo contributes to building a recognizable visual presence and supports the company's positioning within the premium market segment.

Consequently the company does not compete on price but rather on differentiation , craftsmanship and added value through personalization. This strategy clearly distinguishes handmade products from mass-produced alternatives and forms the core of the company's competitive advantage.

PESTEL

Political - In the post Brexit context the UK political environment directly affects the import costs of raw materials used by Resin Craft Art LTD . For example , epoxy resin and moulds for casting are often imported from other countries where production costs are lower . Trade regulations customs duties and potential logistical delays may increase production costs and create supply chain instability. However the political environment

also presents opportunities . The UK government supports small and medium-sized enterprises through funding schemes and entrepreneurship initiatives. Therefore while political factors may increase operational costs , they also provide access to support mechanisms that can facilitate business growth and sustainability.

Economic - Inflation and the rising cost of living in the UK may negatively influence consumer purchasing power particularly regarding decorative products , which are considered non-essential goods . During periods of economic uncertainty consumers may reduce discretionary spending. Nevertheless , the company's premium positioning may mitigate the negative impact of economic instability . Customers who value handmade and personalized products are generally willing to pay higher prices for quality , uniqueness and emotional value. Consequently , a differentiation strategy may support revenue stability even in challenging economic conditions.

SOCIAL - There is an increasing trend in the UK towards handmade , personalized and sustainable products. Consumers place growing importance on authenticity , originality and supporting local small businesses . This shift in consumer behaviors represents a significant opportunity for Resin Craft Art LTD , as the business model is centred on uniqueness and personalization. Additionally , demand for emotionally meaningful and aesthetically distinctive products supports growth within the creative sector.

TECHNOLOGICAL – The expansion of e-commerce and social media platforms facilitates product promotion and sales without requiring substantial investment in physical retail infrastructure. Platforms such as Instagram and TikTok provide rapid exposure and access to a broad audience . However , reliance on social media algorithms may create vulnerability , as changes in visibility can directly affect order volume . Therefore technological factors represent both growth opportunities and operational risks.

ENVIRONMENTAL - Public pressure for eco- friendly products supports the use of sustainable materials such as natural soy wax. This provides a competitive advantage , as the company aligns with consumer demand for environmentally responsible and health – conscious products. On the other hand , regulations concerning packaging and recycling may increase operational costs. Nevertheless , a sustainability- focused approach strengthens the brand's responsible and premium positioning.

LEGAL - Resin Craft Art LTD must comply with UK consumer protection legislation Companies House requirements and product labelling regulations , particularly CLP standards for scented candles. Legal compliance is essential for operational continuity and enhances brand credibility and professionalism within the market.

SWOT

STRENGTHS - Resin Craft Art LTD benefits from a strong competitive advantages through the provision of fully hand made and unique products. The handcrafted nature of the item reduces the likelihood of exact replication, creating exclusivity and enhancing perceived customer value. The high level of personalization enables products to be tailored to individual preferences ,increasing customer satisfaction and loyalty.

The use of eco-friendly materials, such as natural soy wax, strengths the company's positioning within a sustainability-oriented market segment. Furthermore, the premium positioning and emphasis on quality differentiate the company from mass-produced alternatives and justify higher pricing.

WEAKNESSES - At its current stage of development , the company faces limited production capacity, which is typically for handmade businesses. This constraint may restrict order volume and the ability to respond quickly to increasing demand.

Additionally, reliance on online marketing and social media platforms represents a vulnerability , as visibility may fluctuate depending on algorithm changes. Limited financial resources for investment in equipment, promotion or expansion may slow business growth.

OPPORTUNITIES - Demand for handmade and personalized products in the UK market continues to grow, creating favorable conditions for expansion. Opportunities exist for collaboration with physical retail store, as well as online marketplaces such as amazon and eBay, enabling broader market reach.

Moreover, the technological developments allow for increasingly sophisticated and visually refined product designs, which may attract new customer segments and reinforce the brands premium image. Another essential element within the opportunity analysis for Resin Craft Art LTD is the favorable cultural and economic environment of the United Kingdom , in recent years UK consumers have demonstrated an increasing appreciation for handmade , personalized and sustainable products. There is a well established culture of supporting small and independent business , which provides a strategic advantage for brands that emphasize authenticity , craftsmanship and product quality. The UK market is characterized by high level of online purchasing activity and a growing openness towards niche and artisan products. Modern consumers are increasingly seeking individuality rather than standardized mass produced goods. This shift towards uniqueness and emotional value creates strong market potential for handmade decorative items , such as epoxy resin creations and natural soy wax candles. Moreover sustainability trends represent a significant growth opportunity. Environmental awareness continues to

influence purchasing decision and consumers are more inclined to support brands that demonstrate responsible sourcing and eco – friendly production methods. The use of natural soy wax and carefully selected materials strengthens the company's positioning within a sustainability driven segment of the market. In addition the rapid expansion of e-commerce in the UK enhances growth potential. Digital platforms and social media channels provide cost effective marketing opportunities enabling handmade businesses to reach wider audiences without financial burden of physical retail premises. This supports gradual scalable expansion while maintaining operational flexibility. Seasonal demand patterns further contribute to opportunity creation , the strong gifts giving culture in the UK particularly during events such as Mother's Day , Valentine's Day , Christmas and anniversaries generates recurring sales potential for personalized products. This allows the company to strategically design limited collections and seasonal campaigns that stimulate both new purchases and repeat business .

From a long- term strategic perspective operating in a market that values craftsmanship , sustainability and premium aesthetics provides a stable foundation for brand development , if consistent quality and clear premium positioning are maintained Resin Craft Art LTD possesses substantial potential for sustainable growth within the UK market.

THREATS - Competition from large online sellers, including those producing handmade items at scale, may reduce market share. Low-cost imported products also represent a threat, as they may influence consumer perceptions of value.

Furthermore, frequent changes in social media algorithms may reduce brand visibility, directly affecting order volume and revenue stability.

MARKET SEGMENTATION AND TARGETING STRATEGY

An essential component of resin craft art LTD's segmentation strategy is the conscious decision not to target the entire market. Due to the handmade nature of the products, the level of personalization involved and the use of high- quality materials, production costs are significantly higher compared to mass-produced alternatives. Consequently, the final price reflects craftsmanship, time investment and the uniqueness of each item. For this reason, the company adopts a selective targeting approach, focusing on consumers with stable purchasing power who are willing to pay for exclusivity, quality and emotional value. The business does not aim to attract highly price- sensitive customers, as competing on price would undermine both product quality and premium positioning. Instead, resin craft art LTD prioritizing value over volume. This strategy is closely aligned with the demographic and psychographic profile previously identified. The primary target segment- women aged 25-45 with an interest in home decor , personalized gifts and sustainable products – is

more likely to appreciate craftsmanship and emotional significance rather than focusing solely on price. Similarly, occasion based buyers seeking meaningful gifts demonstrate lower price sensitivity when the product offers personalization and uniqueness.

An important indicator of the effectiveness of this segmentation and targeting strategy is the presence of repeat customers. Individuals who return for a second or third purchase demonstrate satisfaction with product quality, brand experience and perceived value.

This behavior supports the development of long-term customer relationships rather than one-time transactions.

From a strategic perspective, the company operates within a niche market, internationally narrowing its focus to consumers who value handmade, premium and sustainable products. While this approach limits access to mass-market customers, it strengthens brand identity and reduces direct competition with low-cost producers. By clearly defining its target audience, Resin Craft Art LTD ensures that marketing resources are allocated efficiently and that brand messaging remains consistent with its premium positioning. Furthermore, this selective targeting approach enhances long-term sustainability. By focusing on customers who prioritize quality over price, the company reduces vulnerability to price wars and strengthens customer loyalty. In this context, market segmentation is not merely a marketing tool but a strategic decision that shapes pricing, branding and growth direction.

4PS of MARKETING –Resin Craft Art LTD

1 PRODUCT STRATEGY

Resin Craft Art LTD offers handmade epoxy resin decor and natural soy wax candles positioned as premium, personalized and emotionally meaningful products. The core product value lies not only in functionality but in craftsmanship, uniqueness and aesthetic appeal. The product range includes decorative resin trays, personalized gifts, sculpted candles and scented soy wax candles. Each item is handcrafted, meaning no two pieces are identical. This uniqueness forms part of the company's differentiation strategy.

In addition to the core product, the augmented product includes:

Customization options (name, colors, themes)

Premium packaging suitable for gifting

Environmentally conscious materials (natural soy wax)

Online customer support and personalized communication

By focusing on quality materials , attention to detail and emotional value the company delivers symbolic and experiential benefits rather than purely functional ones.

2 PROMOTION STRATEGY

Promotion focuses on digital marketing and brand storytelling, as a handmade premium brand , emotional connection and visual presentation are central to communication strategy .

Key promotional tools include:

Social media marketing (visual content , reels , product showcases)

Seasonal campaigns (Valentine's Day , Mother's Day , Christmas)

Influencer collaboration (micro-influencers in home decor niche)

Customer testimonials and user-generated content

Limited edition and personalized product campaigns

PRICE STRATEGY

Resin Craft Art LTD adopts a premium pricing strategy , due to the handmade production process , high – quality raw materials and time investment , production cost are higher than mass-produced alternatives.

Instead of competing on low price the company uses value-produced alternatives.

Craftsmanship and labor intensity

Product uniqueness

Customization options

Premium positioning

The business deliberately avoids targeting highly price- sensitive consumers. This supports brand consistency and dilution of perceived value. Premium pricing also reinforces the psychological perception of exclusivity and quality , aligning with the psychographic profile of the target audience.

PLACE STRATEGY

The company primarily operates through an e-commerce model , with the United Kingdom as its main geographic market , online platforms allow direct to consumer sales , reducing intermediary costs and enabling closer customer relationships.

Distribution channels include:

Official website (www.resincraftart.uk)

Social media platforms (Instagram , Facebook , TikTok)

Potential online marketplaces

The digital distribution model offers:

Nationwide reach

Scalability

Lower fixed operational costs

Flexibility in managing stock and custom orders

This approach aligns with the behavior of the target demographic , which is highly active online and comfortable purchasing via social media and websites.

Legal Structure Justification –Limited Company

Resin Craft Art LTD is registered as a Limited Company with Companies House. This legal structure was chosen primarily to enhance the company's credibility and professional image within the UK market. A registered limited company is generally perceived as more established and trustworthy compared to informal business structures. As the brand is positioned in the premium handmade segment , it is essential that the legal structure reflects stability , professionalism and long-term commitment.

Another important reason for selecting a Limited Company structure is improved access to external finance. Financial institutions and lending bodies often consider incorporated businesses more reliable when assessing loan applications. As the company aims to grow within the UK market the ability to access funding in the future will support expansion , increased production capacity and marketing investment. The Limited Company structure also provides flexibility for future collaboration and growth . If the business expands it will be easier to work with additional directors or partners under this structure. This allows for potential increases in production volume and sales performance while maintaining a clear legal framework. Furthermore , limited liability offers personal financial protection, in the event of financial difficulties or insolvency , the owner's personal assets remain separate reduces entrepreneurial risk and provides greater financial security. Although operating as a Limited Company involves additional administrative responsibilities and compliance requirements , the benefits in terms of credibility financial protection and growth potential

outweigh these obligations, overall this structure supports the premium positioning and long-term development strategy of the business.

ORGANISATION STRUCTURE

Resin Craft Art LTD currently operates under a centralized and founder led organizational structure . At this stage of development the business does not employ additional staff, and all managerial and operational responsibilities are undertaken directly by the founder who also acts as the company director. The founder maintains full control over procurement , pricing decision production processes and costs managements, this includes monitoring material consumption , calculating determining appropriate pricing strategies. By personally overseeing these functions the business ensures consistency quality control and alignment with its premium positioning.

Operating without employees allows for lower operational costs and greater flexibility in decision making. It also enables close supervision of product quality , which is essential for a handmade premium brand . However is highly dependent on the founder's time skills and capacity.

In the medium term within one to two years the intention is to expand the operational structure if business growth continues. This may involve collaborating with additional personnel to increase production capacity and support sales development . Such expansion would allow the company to maintain quality standards while improving efficiency and scalability . Overall the current organizational structure reflects the size and stage of the business while remaining adaptable to future growth.

START – UP FUNDING & FINANCIAL PLANNING

The initial investment for resin craft art LTD was fully self-funded. The business was launched using personal savings, starting with small quantities of resin, pigments and essential materials required for production. This cautious approach allowed the founder to minimize financial risk while testing market demand.

Rather than securing external financing at the early stage, the strategy focused on gradual growth through reinvestment. Initial sales revenue was reinvested into purchasing additional materials and expanding the product range. Although the initial investment has not yet been fully recovered, this is expected at the early stages of the business development, particularly within handmade premium markets where brand building takes time.

The current financial approach reflects a conservative and sustainable growth model. By maintaining control over costs and incrementally adjusting product pricing in line with the

premium positioning of the brand, the business aims to achieve long-term profitability rather than immediate short-term returns .

Looking forward external financing may be considered to support expansion . Future plans include potentially opening a dedicated workshop space and collaborating with larger retailers or business partners. In such a case a business loan could provide the capital required for scaling production capacity and increasing market presence. However at the current stage self financing has allowed the company to retain full ownership and avoid debt related financial pressure. Overall the financial strategy has been based on controlled investment . Gradual reinvestment and long term growth objectives.

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