

Business Plan



BUSINESS PLAN

1.0 Executive Summary

The objective of the company is to be able to serve a wide range of organizations and providing solutions to those who need classy yet affordable glassware for their cars and even as household goods. The key to success in any business is to ensure that there is a steady flow of customers. These clients then have to be maintained by ensuring that the quality of produced glass is very high. The company is going to concentrate on the volume sales instead of retail sales. This has to be done due to the fact that the company is fairly new in the market, and it needs to occupy a niche in the market for itself before it can compete effectively with bigger brands. The funds to be used in running the company will originate from the savings of the co-founders. The company has a piece of land near city. That piece of land will be used for setting the manufacturing plant. It is also an ideal place where people do not live in. This is because the manufacturing plant can be quite noisy and quite detrimental to the people who are living in the surrounding areas. It can also be quite harmful to the people living as gases are also released from the manufacturing plant. Another advantage of having a plant that is far away from the residences of the people is that the transport network is very convenient because the roads are rarely congested. The law of the country states that companies should be located away from the people's residences to prevent any danger towards population. Particularly, glass industry is very strict in terms of safety. Glass materials should be handled very carefully as any mishandling can lead to disastrous effect on the surrounding environment.

2.0 Company Summary

The company is owned by Hutkinson family. Mr. Robertson Hutkinson is a CEO while the director is Mary Hutkinson. The rest of the family work at different company's departments. The company will be called the 'Hutkinson Glassware' and is a start-up, thus being new to the market. The company will be located in the outskirts of the capital city of United Arab Emirates. The company will be dealing with glass. The glass will be used to make household goods such as crockery, glass bottles, glass storage materials, and even car windows. The major markets for the organization will be automotive companies and retailers from the household goods industry. There is also a market share that deals with selling car windows and even with the owners of garages who have clients with car window repair services. It is important to note that the company will start operating in the United Arab Emirates where the original plant is located.

3.0 Products and Services

The company sells glassware to its clients, and there are a variety of glass types from which a customer is allowed to choose what suits them best. There are also professionals who give pieces of advice to the customers on what suits them best and what will serve them for a longer period of time. The glass sourced from second-hand dealers who collect glass to be thrown away due to its breakage. The material is then molded with the best quality so that the customers get value for their money. The aim of such business is for making customers very satisfied in order for the company to become a household name in terms of glassware. Sometimes, the company may choose to use fresh materials imported from different countries. There are different types of glass, and the prices of it depend on its shapes, density, and the material types used to make glassware. The materials sourced from

different countries where they can be bought at low prices. This means that the cost of production is low and this results into cheaper prices.

The technology used by the company is the latest ensuring that the clients get stylish and long-lasting glassware that does not break easily. Additionally, the machines are used to mold the glass in order to ensure it is molded perfectly and the material produced is of the highest quality. The company has plans to make all types of glassware in the future and hopes to be a household brand. The car windows will be sold to the car companies and the garages' owners that specialize in fitting and repairing car windows. The company hopes also to be able to provide all the glass needed by customers and to ensure that they get satisfied with all the options available to them. There will be professionals in the company who will be helping in the production and dealing with raw materials in order to produce the highest quality glass.

4.0 Market Analysis Summary

The company intends to serve the entire glass market in the country. Moreover, it has identified three different markets for their goods. This is referred to as market segmentation. The first market segment is for clients who visit the store to buy few household glassware. This type of clients are usually visiting stores for look for something specific or just for buying anything that they think looks good for their houses. The customers who come directly to the plant at this stage manage to get goods at lower prices as compared to the people who wait for them to buy in the retail shops. This is because there is a reduction in the transportation costs, and also there is no retailer looking for a resale price.

The next market segment is for clients who buy goods in bulk in order

to resell in their own shops or stores. These types of clients have to book in time and to make arrangements with the management for the goods to be available in size, shape, and quantity they require. They may be allowed to get discounts as they buy in bulk. Therefore, they qualify for a lower price so that they can resell it. These are the most common types of retailers as they are always looking for something new and unique for introducing it to the market and to their customers. They are also allowed to give their suggestions to the company about what the market prefers, if there is a gap in the market, and their thoughts if the market has enough glassware produced by the company. The retailers are normally in the best position to survey the market as they interact one-to-one with the clients.

The other types of customers are those that prefer custom-made glassware. They consist of clientele who prefer to have exclusive and unique things. However, this issue mostly applies for household glassware since car windows can rarely be customized to an individual needs. This is usually a very exclusive part of the market, and such clients get their goods at higher prices than the rest of the population. They sometimes come up with the designs which they want to have, and the company creates something exclusive to them. They have to pay a higher price because of the customization of their goods.

The market is in need for a store that understands customer's demand and make custom household glassware especially in terms of crockery. This market mainly consists of housewives and other people who help to take care of the households. The market trend especially for the household glassware is that during holidays, many people tend to have festivities and invite their families and friends to their homes. The glassware in their houses have to be classy as well as affordable. The market for glassware will never perish as people will always need

crockery for their houses. The cutlery, crockery, and other glassware should be also affordable. People are also always breaking things they have due to small incidents within their households. The main competitors in the market are the companies that have been existed for a longer time than Hutkinson Glassware. Therefore, being around for quite a long time, they have a considerable share of loyal clientele. It is very hard to get such loyal customers from the said companies. Such companies have already build a brand, and it will take a long period of time and a lot of hard work for the company to reach the same level and have the same number of customers. However, with dedication and commitment in producing high-quality products, the company is likely to do well in the near future.

5.0 Strategy and Implementation Summary

The company plans to use lower price strategy while dealing with customers. The company will concentrate on volume sales instead of retail sales. This will ensure that the prices will be slightly lower than the ones in the rest of the stores, and this will, in its turn, attract a lot of customers. The store intends to ensure that even with low prices, the high standards are maintained. Giving high-quality goods at lower prices will win the confidence of the customers, therefore maintaining them. The company will also offer product promotions during various periods of the year in order to increase its publicity. The fact that the company is located on the outskirts of the city makes it optimum for shoppers to find it. Other than in other stores, the glassware of the company will be sold in all the retail stores that deal with such products. Most consumers are shopping in the retail stores, thus if the glassware is in these stores, the clients will have more visibility.

The marketing will be done through different ways. The store will run advertisements at the local broadcasting channels. This will be an

instrument in ensuring that the store is well-known as well as the services it offers. The store will also erect a billboard in the business district to help with the advertising. Another strategy to be used can be radio channels where the consumers will be required to answer correctly the questions about the store in order to win a prize, which will be various goods offered by the company. In the next two years, the company hopes to be a local name to be known by everyone. In addition to this, the company also hopes to have an online store where even people from other countries can order from.

6.0 Management Summary

The company is headed by Robertson Hutkinson, who is its CEO. The role of the CEO in the company is to make all the major decisions within it. The various stores across the country are headed by his children who have been given the power to make minor decisions at subsidiary stores. However, major decisions have to be discussed with the CEO and the board of directors. There is the sales team which ensures that the sales made are profitable, thus bringing profit for the company. Furthermore, there is a team of accountants who ensure that the cash flow is stable and enough to yield the company's profits. The role of accountants is to ensure that the company's finances are in order, and that everything is balanced. Every employee will be promoted to the next level if they do well in their current job descriptions. This will help in ensuring that the staff is motivated. Moreover, if there is no position to be filled up, this means that they will get a salary increment.

7.0 Financial Plan

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