



**The
Researchers
Hub**

Business Plan

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EXECUTIVE SUMMARY

The present report is based on establishing new café in Malaysia named HopeFood that will offer different type of products. Mainly the flavors of the coffee will be offered in wide range for customer attraction point of view. For obtaining the primary information different individuals will be approached in Malaysia and market survey will be carried out in order to understand the taste and requirement of the target market. The main target market of the new business will be youngsters who prefer to consume different form of coffee products. Competitive pricing strategy will be adopted where the prices of coffee range and other form of snacks will be decided keeping in view the prices that are set by the competitors in the market. Social media marketing and print media as the techniques will be utilized for promoting the coffee and the snack range.

INTRODUCTION OF THE REPORT

The present business idea is based on setting up of new café in the market of Malaysia where different products will be introduced to the customers in the society. The café will operate with the name of HopeFood and orphan will be hired who will be able to deliver different type of products to the customers. The café will offer different form of coffee items that involves espresso, desserts and pastries, sandwiches, cookies etc. Mainly the flavors of the coffee will be offered in wide range for customer attraction point of view. Further, the report covers various areas such as preparation of marketing plan, financial plan etc for the new business.

OBJECTIVE OF REPORT

The main objective of the present report is to prepare effective business plan for the new café that will be located in Malaysia. Further, different aspects have been considered in the report that involves preparation of marketing plan, financial analysis, conducting external analysis so as to identify the main challenges present in the external environment. Moreover, it is a well known fact that before establishing any business in the market it is necessary to conduct environmental analysis with the help of PEST through which it is possible to know the range of factors that affects business operations.

RESEARCH METHODOLOGY

Primary method

For obtaining the primary information different individuals will be approached in Malaysia and market survey will be carried out in order to understand the taste and requirement of the target market. Well designed questionnaire will be framed where the customers will be asked different form of questions in order to know about their perception regarding consumption of café and different form of items.

Secondary method

The secondary data will be collected from the books, journals and online articles that provides information about the market trends within Malaysia along with the growth opportunities that present in the market that the new business can grab easily in the best possible manner.

FINDINGS

History of subject matter

The café idea will be associated with offering different of coffee flavors that involves espresso and other form of flavors that consumes prefer to consume. Along with this additional fast food items will also be offered to the customers that involves burger, French fries etc as per the actual need of the customers. So, this will surely act as development tool for the new business and in turn wide range of opportunities can be grabbed easily in the best possible manner. It has been identified that demand for café products is rising at faster pace and in near future it can provide numerous opportunities to the new business also.

Vision and Mission

Mission: Continuous innovation and obsession with the quality coffee range and other café items. Enhancing the expectations of the customers through well talented and the skilled staff.

Vision: To become one of the leading café in Malaysia and offering different form of coffee range with excellent service.

Business target

Different form of targets will be set by the HopeFood when one of them will be expanding customer base and the entire coffee range so as to deliver excellent service to the customers. Another target will be opening 5 outlets till the end of the year so as to enhance the brand awareness level in the market. These targets will be accomplished with the help of proper planning so that the overall business performance can be enhanced easily and in turn it can bring favorable results for the enterprise in the best possible manner.

Target Audience

The main target market of the new business will be youngsters who prefer to consume different form of coffee products. Youngsters mainly involve the individuals who lie under the age group of 18 to 35 generally prefer to consume different form of coffee items and along with this other form of snacks (Fund, 2018). So, this will be the main target market of HopeFood to whom different form of products will be offered in the market and this will contribute a lot in enhancing the sales volume along with the brand image of the company.

Projected performance

In near future it will be expected that performance of HopeFood will surely increase as in the market of Malaysia demand for coffee flavors is increasing at faster pace. On yearly basis 500 billion cups are brewed and consumed. Along with this the worth of coffee is mainly USD 100billion on international scale. Within the nation Gourmet coffee is mainly considered to be highly famous and along with this demand for specialized Arabic coffee is rising at faster pace. In the past five year the sales of the coffee market has increased to US\$10.8bil against the overall rise of 35% of the total coffee market (The star Online, 2015).

Issues and challenges

At the time of conducting business operations large number of issues and challenges will be faced by the HopeFood in the market of Malaysia. One of the main issue will be competition where different café are already operating in the market of Malaysia and in this case tough competition will be faced in the market (Hair *et al.* 2015). Another issue that will be faced is linked with complying with the need and expectations of the target where in case if expectations of the customers are not met in proper manner then in such case it will become easy to meet with the changing expectations of the target market.

Product: The main products that will be offered involves different flavors of coffee such as espresso, Mocha, hot chocolate, Latte, Cappuccino and along with this cold coffee will also be offered that involves cold brewed coffee, iced mocha, iced latte etc. All these products will be of high quality and will surely assist in satisfying the need of target market in the best possible manner.

Price: Competitive pricing strategy will be adopted where the prices of coffee and other form of snacks will be decided keeping in view the prices that are set by the competitors in the

market (Pisano, 2015). The HopeFood café will offer products at low price and this will contribute a lot in attracting customers and satisfying their need in the best possible manner.

Place: The place of distribution will be the own stores of the café and at the initial stage HopeFood will establish different form of stores through which coffee range will be offered to the customers in the market.

Performance: For managing the business performance quality aspects will be considered and it will be ensured that high quality coffee items are offered to the customers.

ANALYSIS

Conduct self assessment of the business via SWOT

<p>Strengths</p> <ul style="list-style-type: none"> • Wide range of coffee items • Comfortable and convenient stores so as to deliver remarkable experience to the customers • Youth oriented brand that focuses on satisfying the actual need of the youths • Skilled and talented workforce 	<p>Weaknesses</p> <p>Newly established business in the market Lack of knowledge regarding taste and requirement of the customers</p>
<p>Opportunities</p> <p>Designing modern interior of the café for attracting customers Fastest growing industry of Malaysia that can provide wide range of benefits Setting up new stores within Malaysia due to rising demand</p>	<p>Threats</p> <p>Competition from the domestic players Rising health conscious people where they may prefer to consume coffee items that are fit for health</p>

4ps of the product

Product: The main products that will be offered involve different flavors of the coffee such as hot chocolate, mocha, espresso etc. Along with this different form of snacks will be offered to the customers

Price: Competitive pricing where low prices will be set as compared with the key competitors in the market (Phaal, Farrukh and Probert, 2015). This will mainly influence the purchase behavior of the target market.

Place: Own stores of HopeFood will contribute a lot in enhancing the purchase behavior where unique environment will be provided and it will be convenient for customers

Promotion: Social media marketing and advertising will be adopted for attracting customers.

PEST

Political: Malaysia is regarded to be multi party democracy nation and the ruling party named Bersian national party has been in power over the 25 years. Therefore, this is a sort of advantage. Further, there is no such corruption in the nation and through this HopeFood will not face any sort of challenge in the market.

Economical: The vibrant economy of Malaysia mainly attracts businesses and the high development of economy has contributed a lot in enhancing consumer spending (Research ideas, 2016). Therefore, high economic growth will bring favorable results for new business.

Social: Three population groups are present such as Indian, Chinese and Malay. Rich and vibrant culture is present in nation. Along with this different type of coffee flavors are consumed and this will surely bring favorable results for the HopeFood

Technological: The technological level is required to be developed so that Malaysia can compete in international market. This factor will not have very high impact on business as somehow moderate technology will be utilized.

RECOMMENDATIONS

Develop strategy of the product: The main strategy that will be developed for product development will be competitor analysis and knowing the market trends and through this will be possible to know what kind of superior product needs to be developed for meeting with the customer expectations.

Strategy for price: prices will be set after knowing the real price at which coffee items and snacks that are offered by competitors in the market. The main strategy will be competitive analysis for determining price.

Strategy for promotion: Social media marketing and print media as the techniques will be utilized for promoting the coffee and the snack range. This will help in attracting customers towards the coffee range.

Strategy for place: The main strategy will be the own place of HopeFood where the business will develop its own stores. This strategy will assist in providing convenience to the customers

Other supporting strategies: The business will search for skilled staff, finance will be owner investment and bank loan will be taken for conducting the entire activities in the proper manner.

EXECUTION PLAN

Action plan

Element	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
Conducting market research						
Identifying the products offered by competitors						
Finalizing the products that needs to be offered						
Determining the pricing strategy						
Identifying the cost of producing products						
Finalizing price						
Developing plan for building stores						
Deciding the ambience and the internal layout of store						
Determining the sources of promoting						
Developing digital marketing platform						

Starting operations and offering products						
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Action plan must be in line with the strategies

Above action plan has been developing keeping in view all the strategies framed and it will assist in knowing where all the operations are carried out within the time set or not (Halal, 2015).

Further, activities will be carried out by the managers of café.

CONCLUSION

The entire business plan focuses on development of new café named HopeFood in the market of Malaysia through which different form of products such as coffee flavors and other type of snacks will be offered to the customers. The marketing plan prepared will assist in enhancing performance of the new business in the market.

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APPENDIX

Financial Analysis

Particulars	Year 1 (Amount in RM)	Year 2 (Amount in RM)	Year 3 (Amount in RM)
Income			
Coffee sales	1800	1980	2178
Food sales	1200	1320	1452
Bottled drinks	1400	1540	1694
Total	4400	4840	5324
Expenses			
Cost of goods sold			
Purchase of coffee	900	945	993
Food purchase	500	525	552
Bottled drinks	300	315	331
Total COGS	1700	1785	1876
Payroll expenses			
Wages	300	300	280
General & Administrative Expenses			
Advertising	200	180	170
Business Fee & License	250	220	210
Repair & maintenance	100	100	110
Total general expenses	550	500	490
Total expenses	2550	2585	2646
Net income	1850	2255	2678