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# Introduction

In this report I will be looking at all the needed sections in order to start up my business. I will begin with a self assessment of myself; this is in order to see if I have the needed skills in which to run a business and if I am capable to do so. I will then be looking at my skills and talents and how they help me in the running of my business and dealing with my customers. I will be making some brainstorm diagrams to give myself an idea of then type of business I would like to run and I shall also be looking at the advantages of my ideas. The final sections in my planning are looking at the gaps in the market, I will do this to see if there is a need for a one my business ideas in the city I wish to set up, I will also be able to see how much completion I would with each of the business ideas. After that is the decision time, I will be looking at all of my previous sections and using them I will decide the most suitable business for myself to start up, I shall list the reason I have chosen said business as well.

After deciding my business I will be looking at who my potions customers are and the market I shall be looking to sell to, this is needed as it allows my to be specific as towards who my target market will be. After looking at the possible market I will be looking at personnel, the goals and aims of my business, they types of communication I will be using and who I will employ and under what conditions. I will also be looking into Marketing which is the advertising of my product and deciding on a logo for my company and what forms of advertising I plan on using and the reasons behind my choice, and the advantages of it. After I have decided on how I am going to promote my product I must think of what type of production I must use and which will be the most suitable for my business. Finally I will be looking at the what I will need to start up my business, I already know I will be needing a loan as I will not have enough capital to start up my business but I don't not know how much I will need. I will also be looking at how much it costs me to make my product and how much I have to sell to cover my costs, I will also be producing a cash flow forecast to help me estimate the amount of money that should be coming into my business.

Finally I shall be looking back at everything and I will evaluate all of it, I will look at what went they way expected and the problems that have occurred and how I plan to solve them. I will also briefly look at how external and internal factors can affect my business in way I can and can't control.

# Planning Section

## Introduction

I am going to take a self assessment questionnaire. The reason for this is so I can see the strong points and weak points I will be bringing into my business. I will then look at each question and the answer I have given and see how it could affect me in certain situation. For the weak points I will look for solutions to improve myself on these problems, for my strengths I will look for ways to further improve myself in the hopes to become more efficient.

## Self-Assessment Questionnaire

1. I am always up to date with my work. Yes
2. TV, Friends etc, never distract me if I have to do work. No
3. I get on well with other people. Yes
4. I do not act rashly. Yes
5. My family give me their full support with work. Yes
6. I cope well under stress. Yes
7. I don't give in easily when the going gets tough. No
8. I listen to advice. Yes
9. I can be very persuasive when I try. No
10. I need to be pretty ill before I take time off. No

### I am always up to date with my work. Yes

In any aspect of the business being up to date is necessary as if work is left pending for too long it begins to pile up very quickly. If all my work is done in time and kept up to date I can avoid having to spend extra hours working overtime to catch up. Being up to date I would have all the needed information I need ready for when I need to reference it for example being up to date with stock, creditors and financial accounts you can easily see what is needed and how everything is going within the business. On the other hand always trying to be up to date with work may result in having to work overtime anyway for certain reasons one being not having enough time to complete what is needed. One way to solve this would be to draw up a schedule so as to allocate time on a regular basis to keep up to date with work.

### TV, Friends etc, never distract me if I have to do work. No

This is a problem could lead to further complications that could cause my business to suffer. Instead of spending time looking up information and doing research I may make a quick decision regarding the business which may end up costing me a lot of money in the long run when it could have been easily avoided by focusing on what I was doing and thinking it through. At some point I may leaving work undone to leave to do something else this could be filling out stock order's or financial accounts, these will then become a

larger work load for myself to complete which could lead to me not doing them properly. To avoid this I can follow a schedule and focus on my work fully when it needs to be done so as not to make mistakes while still leaving time for me to peruse with leisure activities.

I get on well with other people. Yes

This is a vital part of any business communication and working with others. It is important to get along with others as it is important that your employees don't see you as just an authority figure but as a person they can talk to. I have also be able to talk with customers and supplies these are people I will have to deal with on a daily basis and is important to come across as a friendly person and crate an environment free from tension. Once this is accomplished then employees and costumers may come to me with ideas and suggestions for my biasness, allowing me to hopefully improving the business in general. If I did not get along with others none of this would be possible and the business would suffer as customers would not see the business as a friendly place thus putting them off returning and employees beginning to resent myself and not working as well as they could.

I do not act rashly. Yes

This is important as making rash decisions could end up being fatal decisions for my biasness. It is important that I think all my choices though so as to avoid making the wrong decisions for my business. Making choices to quickly may give customers and my employees a bad impression of what I am like. This can be avoided by sitting down and looking at what my choices are and then looking at date and making notes and comparing data so as to be sure the choice I pick is the one that will be most beneficial for my business in the hopes to attract more customers and allowing my business to grow and expand.

My family give me their full support with work. Yes

It is important that my family support me with the work I want to do so I know I can rely on them for moral support and to help in ways needed. If I need help with a decision with the business I can get advice as it is always a good idea to get an outside point of view, if at any point I am short handed at work I could call on my family to help me with my work load. Without family to support me in times of difficulty I will have server problems and no one to help me though.

I cope well under stress. Yes

This is important as in any business there are times where work inevitably piles up and there is a lot expected from you. Starting up any business will cause a lot of stress as there is the fear that the business with not do as well as planned or I wont be able to make correct decisions or is I make the wrong decisions at any point having to fix and solve the problems. There may be times in which I am short on supplies and delivery is late

depending what the kind of delivery system I plan to use for my business so there is the fear that I may not have the stock to sell to cover the losses for that month and be able to pay the wages of my employees, then I may have too much stock for the next month and then not sell the extra and then have stock and money go to waste. The best way to deal with stress is just to take a small break and think everything through with a clear head and make the right decisions.

I don't give in easily when the going gets tough. No

This is a quality I will not want to have at all as starting up a business is always difficult and requires a lot of time and effort. If I wish for my business to be successful and grow then I must continue working hard even when at times I feel it is too much. The only way to avoid such a negative quality would be to really think if this is what I want to do then going after it to the best of my abilities.

I listen to advice. Yes

Listening to advice from others will play an important part as it helps to get an outside point of view. It could save me from making decisions which may not be in the best interest of my business, as well as allowing me to use the advice I have been given to improve on any problems I may have or ways to bring more customers. If I were to stick to my own ideas all the time then and follow them through I could end up with a big loss if something goes wrong.

I can be very persuasive when I try. No

Being persuasive is important in a business as it would allow me to convince people so buy/sell certain things. I may feel I am paying too much for my stock in that case I can try and convince my supplier to give me a better deal possibly allowing me to buy more. Being persuasive may also help if there is any completion and I can try and find out what their business plan is and then find a way to attract more customers than them. One way to go about this is to be friendly and to just really try and get the information you are looking for or convince people to give me what I am looking for.

I need to be pretty ill before I take time off. No

This can be positive or negative, if I am not feeling very well I can not work as hard as I normally would or I could cause further problems for my self if the illness does not go away. On the other hand taking time off work every time I feel a bit sick will end up causing a larger work load for my return and a loss of sales for that day. I must make sure to only take time off work when it is 100% necessary so as to avoid increasing my work load for the day in which I return back to work.

# Skills and Talents

## Introduction

I will be looking at all of my skills and talents which I could use to affect my business. This will allow me to see the problems and advantages each of them will cause to my future business, after this I will then look at situations in which they can be used to aid me with my business and for solutions for the problems that they may cause.

## My Skills and Talents

1. Playing Badminton.
2. Good knowledge of Microsoft Office programs.
3. I like to keep up to date with new technology.
4. I enjoy talking and meeting with new people.

## Analysis of my skills and talents

### Playing Badminton.

This skill can aid me with my business as you learn to get along with others and how to work as a team, as playing doubles requires very good communication in this particular sport. This can aid me in my business as I know how to work with others and communicate with them, it will allow me to hopefully get along with my employees and communicate with them, it also allows for a company team for example which would help build a bond between me and my employees. On the other side it could have negative affects on me and my business because I may spend too much time focused on playing or arrange to go play a game when I should be concentrating on work that I have to do, as a result it may lead to work being done late or not up to a certain standard. It may also cause me to be tired when going into work if I went to play a game late in the night so during that day I won't be as focused as normal and it will cause my work to suffer. To avoid these problems I should always make sure that my work is done before I decide to make time recreational activates and to make sure I get to sleep at a certain time everyday so as to avoid being tired during work.

### Good knowledge of Microsoft Office programs.

This an important skill as it is needed to run a business, knowing how to use programs such and word, excel, PowerPoint are needed to make presentations send letters and crate accounts. I can also teach my employees how to use these programs so I can delegate work onto them if I feel I have too much work to do. The negative side to this is that if I teach another of my employees these skills and them leave them with work that needs to be done they may run into difficulties thus resulting in work not being done properly or being done late, it also takes a lot of time to teach someone full use of these programs time of which I may not have enough of. To make sure I do not come across these

problems I should make sure I only give my employees work which I know they can get done in time and properly, and I should also make sure I have time to teach them how to do new things with these programs as sometimes it may just be faster if I just do it myself and delegate something know they can do upon them as this will give them a sense of responsibility and possibly motivate them to learn other skills on their own.

I like to keep up to date with new technology.

This is an advantage as knowing the new technology out there is important for the business to survive, as most of them time it allows the business to achieve greater economies of scale and become more efficient. They also may be able to carry out certain tasks which in turn will allow me to save money by replacing employees whose jobs these new machines take over. The down side there is the risk of these now technologies do not work out as expected or there are problems with them which cannot be solved easily thus resulting in a large loss for my business. To make sure these problems occur I can look into new machinery to make sure no problems can occur that could lead to problems for me and my business.

I enjoy talking and meeting with new people.

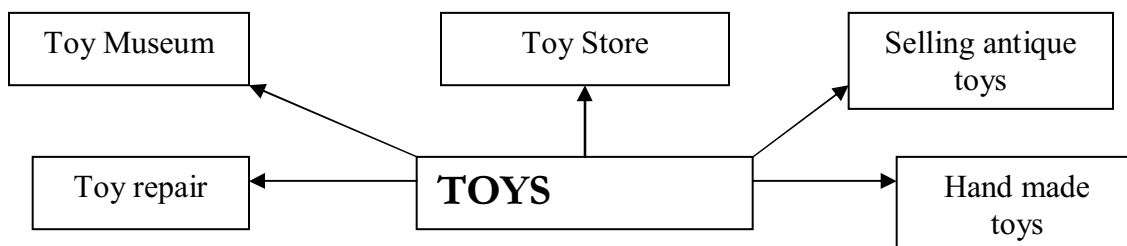
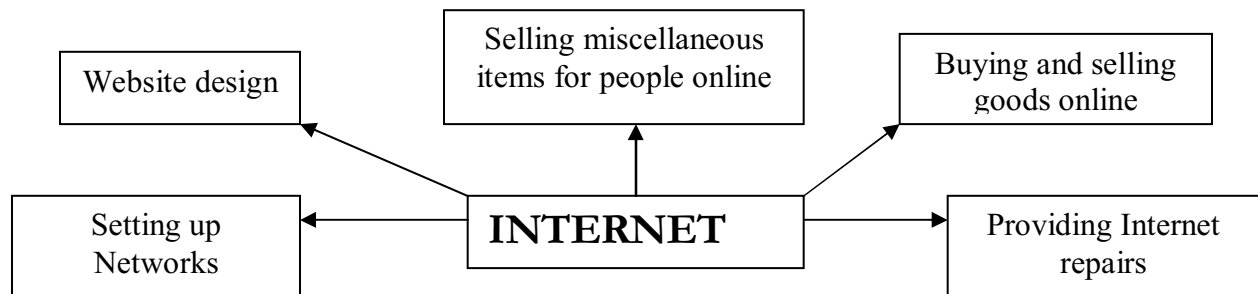
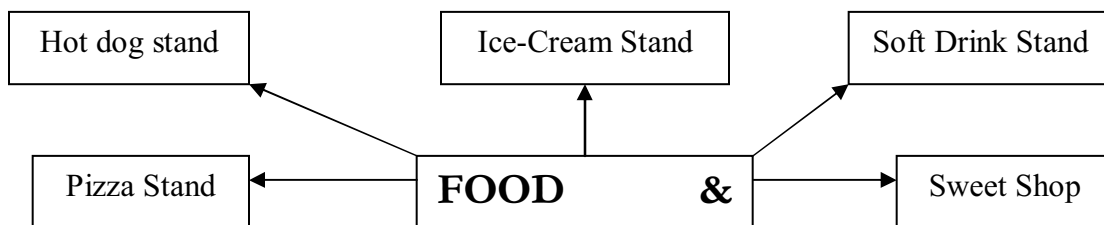
These very important as I will have to handle customers, it will also help me communicating with my employees old and new as this is needed to get work done and can help with getting new idea for my business which could allow me to improve. The downside is some people may find I come across to strong and this may push them away or not want to speak at all. To avoid this I must make sure that I know when someone is willing to be willing to speak and when they rather be left to themselves and not be bothered by others.

# Brainstorming

## Introduction

In this section I will talk about two different business ideas which I would like to pursue. I will choose these ideas by making three brainstorm diagrams each with 5 different business ideas, from these ideas I am hoping to have two which I believe would be possible for me to start up and run effectively. I will be linking my ideas to the self assessment which I filled in the Planning section and my Skills and Talents section. This will show how these could affect my possible business, by the end I hope to have one business idea which I know I want to follow as my final idea.

## Brainstorms





### **Chosen ideas**

The first idea I have chosen is Website design, this is a good idea as I will not need an office I can put out an add and work from home. I would not need any employees as long as I keep to a work load which I can handle myself, I would need to take time to fully learn how to make and design a webpage but the difficulty in this should not be much if I focus as much time as I can to learning.

I am always up to date with work which would keep to a schedule and making up parts of the site by a certain date allowing me to finish in a time that I am given, I do though get distracted but as long as I avoid this by focusing on what I am doing I should not encounter any problems as this is something that requires my full attention. I can get on well with others which will be very important as I will have to follow instruction for the designing of the webpage and sort out any problems I do encounter with them, I do not act rashly so I won't make any decisions on the design of the page without the customer's notice. My family will fully support me and this is important as I can get ideas from them if I am not given guidelines to follow for the designing of the page. I cope well under stress which is important as I will most likely have to keep to deadlines, it is also stressful as my customers may not like the page I make for them resulting in a waste of time on my part. I don't give in easily when work becomes difficult and this is very important as starting up a business is never easy, I listen to advice and this is something I will be taking a lot of as I am creating a site for someone else I will have to get their opinion on certain things that they want or would like, I can't be very persuasive I must learn to do this as I may realize something a customer may like would be better for them if changed so I must persuade them to allow me to change it. If I am ill it won't affect me as I can easily work from home as all I need is an internet connection to properly do my job. I have a good knowledge of Microsoft office programs and I like to keep up to date with technology this will allow me to create WebPages with the best programs available which should always allow me to create them to a high standard.

The second idea that I have chosen as an idea is a hotdog stand, the starting up costs will be a problem as I will need to purchase the stand and supplies to begin with. I will not require employees as I would be able to get all the work done myself so this is a save on a large cost.

I am always up to date with work which would be ordering stock and keep track of sales and income, I get distracted and this must be avoided in case I may decide I rather do something else rather than open the stand for business as this business idea requires me to be in the right place at the right time in order to make sales. I get on well with others this is important as I will have to deal with people all day long so I must be friendly and get along with them in hope they continue to provide me with business, I do not act rashly this is important so as to avoid decisions which may cost me a loss in the long run. My family will give me full support this will aid me as if I ever run into problems where I can not open they day I can rely on them to help me out, I cope well under stress this will aid

me during a slow period in which sales go down as I will be under stress on when sales will go back up if at all. I give in easily but as long as it is an idea I know will work out and that I am willing to persevere this will not be an issue in anyway, I listen to advice and a lot will be needed as I will need a way to advertise or to draw attention to myself so as to attract sales, I am not very persuasive this will not be as large of an issue as I will not have to make my ideas clear to anyone as I am working for myself and selling food items. If I am ill I may take time off I must avoid this as much as possible in order to make sales.

# Gaps in the Market

## Introduction

In this section I will be looking at gaps in the market around the area I am in this means looking for something which there is a lack or need of. I will produce a brainstorm table with ideas I have gathered from personal experience, business I have seen and have done well and I know will work well and from services that I have seen or think there is a need for. From these ideas that I will list I will choose two of them, I will then take these chosen ideas and with the Planning section, skills and talents and brainstorming section write how they will affect my ideas. Through this I hope by the end to have a clear idea of which idea I would like to follow and I know will work out.

## Brainstorming table

<b>Personal Experience</b>	<b>Copying</b>	<b>Services</b>
Hotdog Stand	Food Delivery	Internet Provider
Video Game Arcade	Buying and selling second hand games	Driving Service
Paintball Area	Computer lessons	Home Cleaners

## Chosen Businesses

The two ideas that I have chosen which I think will be successful and perform the best are the hotdog stand which I discussed in the Brainstorming section, and the video game arcade which I have listed in the table above.

I believe that the hotdog stand will be a successful business as there is no where that specializes in just hotdogs, different types with choice of bread and toppings. I have noticed there is a want for such a thing but no one has yet taking this idea and used it to its full potential, after over coming the start up costs I am quite confident that I will be able to make a decent profit from this idea. In the brainstorming section I listed how the answers from the self assessment in the planning section will affect my business as well as the skills and talents section so please refer to them for these.

I believe the video game arcade will be very effective as currently there are none in this area although the start up cost will be very high, and I will continually have to bring in new machines by also in time selling foods and also offering pool tables it will bring in more and more people allowing for the high costs. This would have to be in a central area if I wish to have a chance for it to survive but with a good loan and location it should be no problem at all.

I am always up to date with work which will be needed to make order for new machines and getting repairs done and paperwork, I get distracted but I will be following an idea I

am passionate about so this should not be a problem. I get on well with other people and this will be a key part as I will be around people all day and I will be needed employees so I must be able to get along with them, I do not act rashly which will be important because I must wait for the right time in which to buy new machines as well as if I will expand into something more or not as I must know if it will bring more people to spend more money. My family give me their full support which helps as it is good to know they will help in anyway they can and I will not have the thought of them against me which will allow me to concentrate on what I am doing, I cope well under stress which will help as I predict starting up will be a lot of work and I wont be able to start making profit until much later on. I tend to give in easily but I believe this idea will work and can be successful so as long as I know it will work out I will stick with it, I listen to advice and I will need a lot of it as only arcade games will not be enough unless I draw in many people each day so I will need ideas so as to get more customers. I am not very persuasive and I must change this as I must convince the bank to give ma a sizable so as to get my business started, I tend to take time off when the slightest bit unwell so as to avoid it getting worse but I must avoid this as much as possible as I will need to bring in a lot of business as fast as possible to cover my debts. I am knowledgeable of Microsoft office programs which will help me make my presentation for the bank, I also like to keep up to date with new technology which will be needed to keep the arcaded up to date and going.

# Decision Time

## **Introduction**

In this section I will be stating which business idea I have chosen as my final idea which I will follow as my business. I will explain how I went from the Planning section and Skills and Talents to the Brainstorming and Gaps in the market sections, I will then give reasons for my decision by referring to the self assessment and skills and talents section, I will also discuss problems I will have as a result of missing skills or because of factors in the self assessment. I will also be making a list of the recourses I will need as well as why I will be needed each of them. I will also be discussing the internal and external factors involved in the business.

## **Planning Stage**

The business I had chosen to follow is the hot dog stand, I believe it to be the most easily to set up idea and the one that will allow me to make back the starting cost the fastest. I came to my decision by going through several stages, I started with the self assessment in this section I looked at different factors and how they could affect my business and how each of them could affect me in my business positively and negatively. I am always up to date with my work, here it will involve making payments and replacing stock so as long as I am up to date with all of this I should not have any problems that will cause difficulties to me. TV, Friends etc, distract me, if I have to do work this will cause a big problem if I do not have my work done in time and I make orders later or payments from the loan I will need it will cause big problems for myself resulting in me not being able to sell, I know it is something I have to do so this should eliminate the possibility of myself getting distracted as I know I need to focus on my work first. I get on well with other people, this is important as my business will revolve around the customers who come to buy hotdogs from me so it is necessary for me to be friendly so as to hopefully get them to return to buy more. I do not act rashly, this will help as rash decisions can lead to even bigger problems so it is needed that I take my time with business choices even if it means using my free time to ensure I am doing the right thing by my business. My family give me their full support with work, this helps as it gives me the knowledge that I know if I need help my family will be there to aid me out if I am sick I can ask one of them to open for me that day which saves me from losing out on sales. I cope well under stress, this will play an important part starting up my business as starting up is very difficult as will not be known by anyone and they will not be aware of the quality of my product, also I will be under stress to make payments on money I know I will have to get the bank to loan me so in slow periods such as winter my sales may go down for a long time. I give easily when the going gets tough, this factor I must completely eliminate as I know it will be difficult starting a business and I know it will work so despite the difficulty I will stick with it as I know it can be very successful. I listen to advice, this is important as getting advice from customers or anyone can help as it is important to get an outside view as it helps to put certain things in perspective and come up with new better ideas to draw in customers. I am not very persuasive, this will

hinder me as I need to prove to the bank that my business idea will work so as to ensure I get the loan that I need. I will take time off when I am ill, even though I will take time off I know I can rely on my family to help me in situations like this allowing myself to recover and to get back to work as soon as I am better. In the skills and talents section I looked at different skills and talents of mine and how each could help me with a business. I play badminton this teaches how to work well with a partner, so If I need to hire and employee I must make sure we get along and work well together for the sake of the business. I have a good knowledge of Microsoft office programs this will aid me with paperwork that will be needed to be done as it will all have to be typed out and it will help me prepare a presentation for when I have to get a loan. I like to keep up to date with new technology this will help as I will always be on the look out for new equipment that will allow me to become more efficient. I enjoy meeting new people and talking with them, this will help as I will have to get along with new employees my customers and just talking with people you can get ideas from them to help with the business. From the skills and talents section I went on to making a few brainstorm diagrams with different business ideas, I looked at possible businesses that would be easy to set up and hopefully bring in a good profit. After the brainstorming section I looked at gaps in the market, I looked for businesses that are not set up here if I was to set up one of these businesses I would have control of the market in that certain business, in both the brainstorming and gaps in each market section I came across the hot dog stand.

### **Recourses**

I will need a variety of recourses for my business, they all have a purpose and I will also list how I will acquire them. First is the equipment the stand the cooker and freezer, each of these has their own use the stand is needed so as to hold everything in it I will have to buy this, the cooker is needed for the hot dogs and the freezer for the buns to keep them fresh, all of these will need to be bought with a loan from the bank that will allow me to start up. The ingredients I will be needing are hotdogs, buns, ketchup, mustard, onions and cheese all of these I will acquire from Spain as it is cheaper to buy them there, I will be purchasing these with my own money. I will also be needing gloves so as not to contaminate the food a pair of tongs so as to avoid touching food directly and a hat with my company logo this not only promotes my business but stops hair falling into the food all of this can be acquired easily in Spain and again with my own money.

### **Internal Factors**

There are a few internal factors to consider and make sure they are affecting my business in a way that will benefit me. First there is the attitudes of the people involved, at first it will be just myself but I may need to bring in staff later on if all goes well, I need to make sure they have a good attitude towards the customers so as to ensure they return not only because of good service but because of the high quality of the product. The amount of time available also plays a large part, I need to know how much time I will be able to keep the stand open the longer it is open the more sales I should be able to make but I cant keep the stand open all day and night so I must choose the best times to open so as to bring in as much money as possible. I must also consider the recourses I will need which

I have already discussed in the recourses section of Decision Time not only will I be needing I must also keep track of when I must go to purchase more. I have already discussed the skills and talents I have to offer and how they will help with my business in the planning section of Decision Time but I will be needing outside help for certain things such as repairs and making sure everything is up to the standards that they need to be.

### **External Factors**

The external factors that I must stake into account so as to make sure my business can do well are, safety I must ensure that my work place is safe for myself and any possible employees this will require brining in outside help professionals who can help me bring my work place to a required level of safety. I may encounter competition while I can not make them leave I must do all I can to ensure I attract more customers and provide a better product then theirs, I can avoid loosing customers by having a good start so as to gain some regular customers. I must also consider the economic condition there may be a point where many people get laid off this is out of my control it will affect my sales as people will be les inclined to purchase a hotdog. I have to take laws into account I must make sure that I comply with all the laws as it could result in me being closed down because I do not follow a certain law. I must also take the weather into account as on cold rain days people will not be outside and those who are will be in a rush to get indoors I must make sure to open up somewhere indoors so customers can get a hotdog and not get wet but on days like this my sales will be heavily affected.

# Findings

## Customers/Market Research

### **Introduction**

In this section I will be looking at a few different things, the first of which will be Target market. I will begin with a description of what a target market is and then discuss my target market and any problems I may have with it. Secondly I will be looking at Market Research I will explain what it is and the different types, I will also state which I will use and give reason as well as what kind of sampling method I will use. I will be making up a questionnaire with closed questions to hand out, I will then discuss the purpose of each question. After this I will present my results and discuss them and then come to my overall conclusion.

### **Target Market**

A target market refers to the parts of a market that a company aims to sell its product to, this could be people of different age, gender and income.

My target market will be people of all ages, as age does not affect whether a person has a like or dislike of a particular food. The only problem I see here is people of an older generation or a much younger even never having tried the product, those who have tried the product and know the taste will be inclined to buy as taste does not deteriorate with age. Gender does not play a factor in this as it does not determine if a person can like or dislike a product, there is nothing that suggests that only certain foods are liked by only one gender. People's income does play a part in this but I believe that the price I set is one that is affordable by people of all income in the area in which I intend to sell, so most in not all will be likely to afford my product. At this point in time I do not see any major problems arising from my target market, the only problems that I could possibly occur will have next to no effect on my business and sales but I can not be sure until they do arise so I have to wait and see how business goes from that point.

### **Market Research**

Market research is the way a company finds out who buys their product and what they think of it, it is also how they find who does and does not buy their product and the reason behind it. There are two types of market research primary and secondary research. Primary research or field research is when data is collected directly from the public; it is collected first hand from primary sources. There are several ways in which to gather primary data, there are surveys where the public are questioned using questionnaires, this can also be done through interviews, post or over the phone. There is also observation where people are watched to see how they move around a store and look at goods. There are customer panels where a group of people are brought together to sample and discuss a product. There is also testing in which the product is put for sale in a small area and any



problems it faces can be handled before large scale sales this is also known as market testing.

Secondary research or desk research is the collecting of information from an already existing source, reports and statistics which are both widely available. There are many examples of secondary research official reports by the government, information from the Chamber of Commerce, company reports, the internet, reports by specialist companies and press reports.

Before a questionnaire can be issued a type of sampling must be chosen, a sample is a small group of people chosen to represent the full population, there are two ways in which I can decide who will be my sample group. Firstly there is random sampling this is where people are chosen at random to answer a questionnaire, this is done by selecting people no matter of age, gender etc. it is done very crudely for example every fifth or tenth person. There is also stratified sampling this is when people are put into strata's then after a coming across a set number of people that fit into that strata are given that questionnaire. Stratified sampling helps to get a better overall view from the population.

The type of market research I will be using will be primary research; I will hand out questionnaires and looking at my results. I have chosen primary research as I find it is the best way for me to find out what the population in this area wants, it is also the cheapest and fastest way to gather information as I will do it myself. I have chosen to use random sampling to select the people I choose as my sample group to fill in the questionnaires, it is also faster then stratified sampling and since I have no specific target market it will give me better overall results for me to make my decisions.

At the end of this section you will find a blank copy of my questionnaire. Each question has a reason behind it.

1. Do you like Hotdogs?

The reason for this question is to find if the person does or does not like hotdogs, I need to know this because there is no reason asking a person about them when they do not like the food item, it can lead to answers which are affected by the fact they do not like them.

2. What sauce do you prefer on a Hotdog?

This question will help to find out which sauce people most prefer so I know which to use and which to avoid since they are not as popular with the population.

3. What toppings do you prefer on a Hotdog?

I need to know what kind of toppings if any people like on their hotdogs as by adding extras to my product will hopefully help me to sell more as they contain the topping which people enjoy the most.

4. How many times a week do you eat a Hotdog?

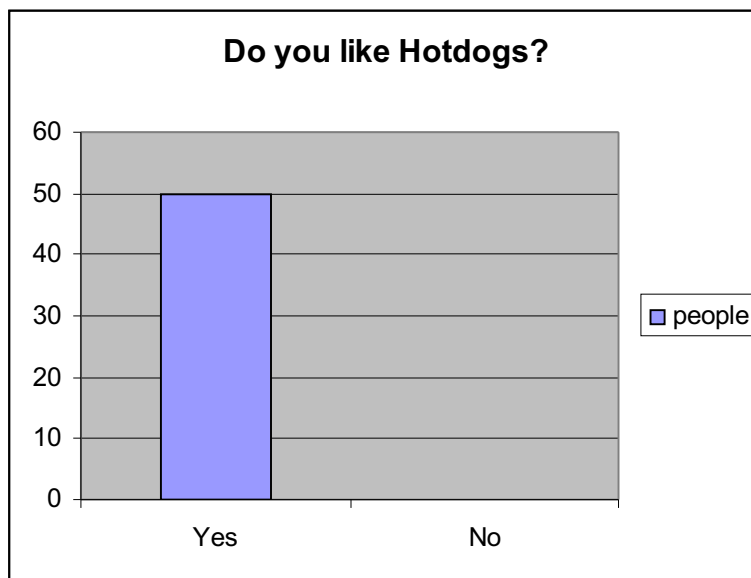
This question will help me get an idea of how much people eat hotdogs every week, the more that do the better my business should be so by knowing this I could get a vague idea of how much business I could be doing.

5. How much would you be willing to pay for a Hotdog?

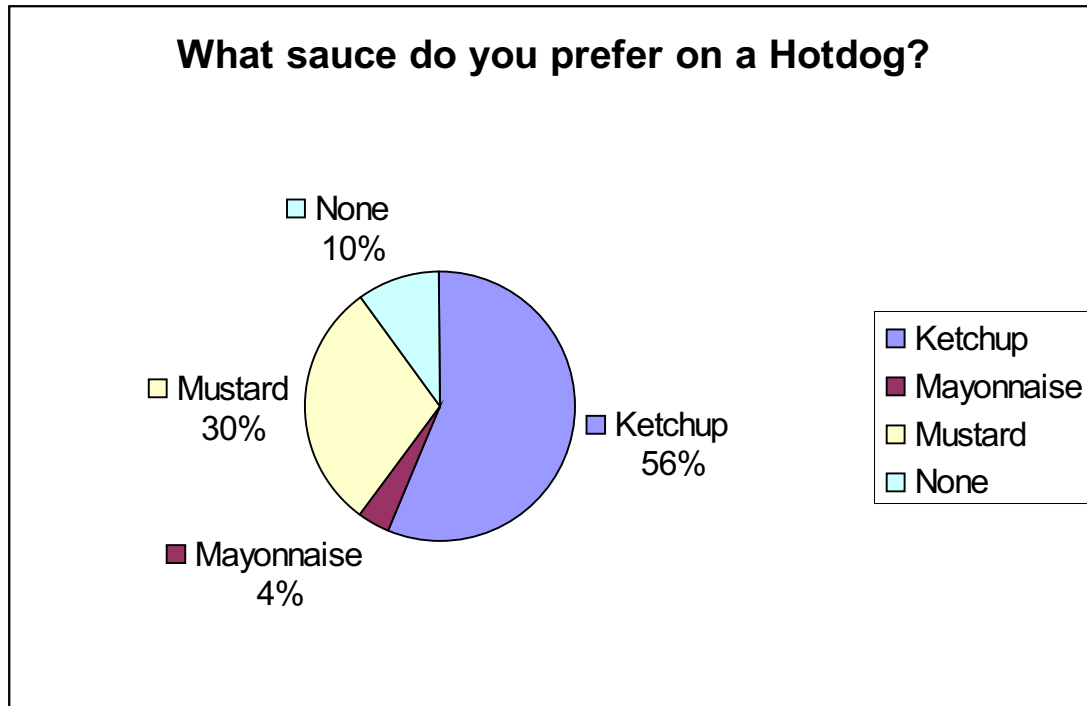
This question will help to set a price that everyone would be willing to pay so I can ensure that my price is not too high which could discourage people from buying from me.

6. When you look for fast food does advertising affect your choice?

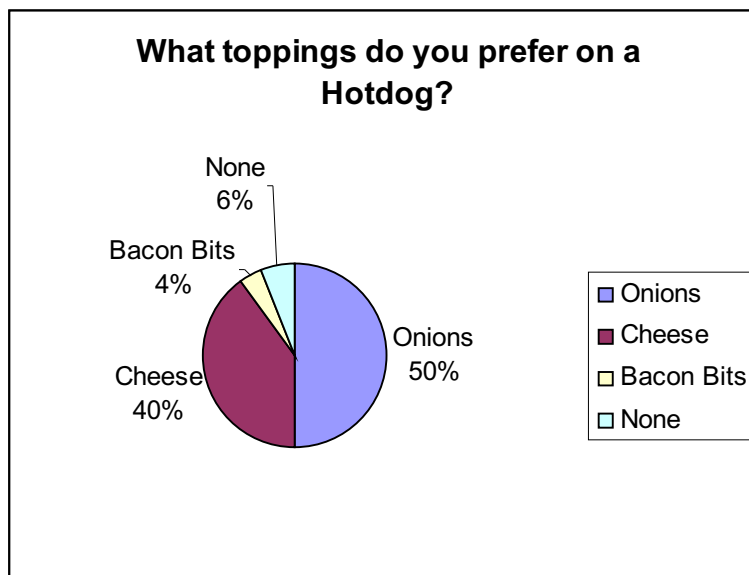
I need to know if advertising affects people choice when they decide to buy fast food, if it is I know to spend more money on it so as to get more business if not then I will not spend as much on advertising as it is not needed because it does not affect part of the population.



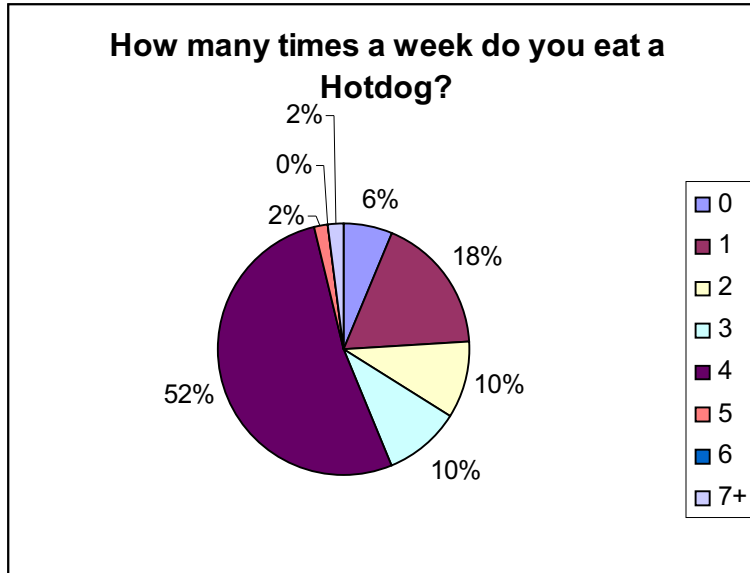
Here are the results from question 1 from my questionnaire we can see everyone asked like hotdogs, this is good as now I know I have a market to sell my product too.



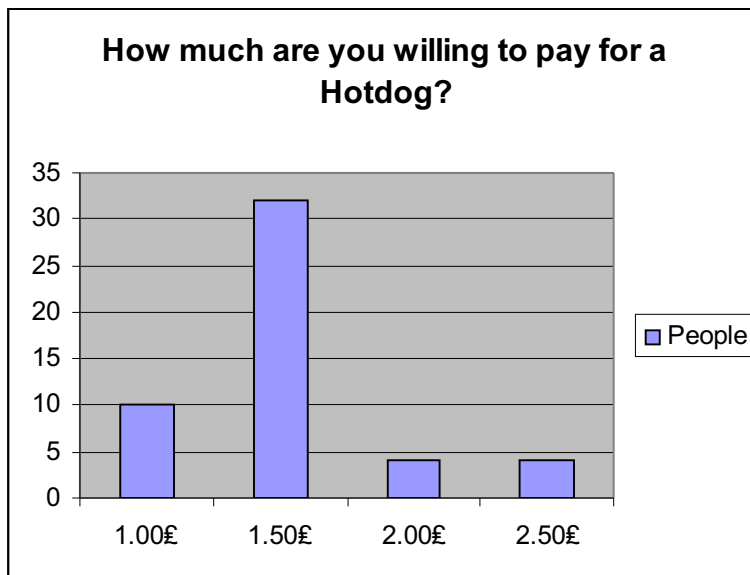
This shows what sauce people prefer on their hotdog, the most popular being ketchup 56% and mustard 30% I now know to start of with these two and then if needed bring in a larger variety but to keeps costs down I will go with the favorite two.



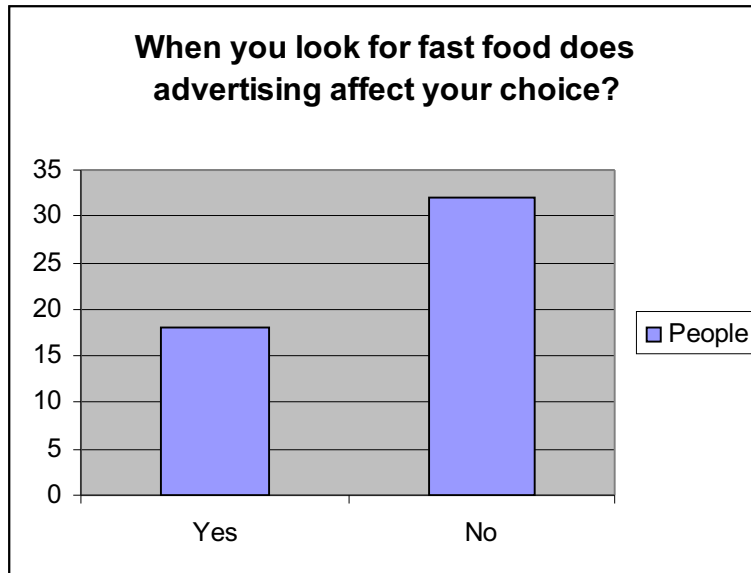
This shows what toppings people enjoyed the most; onions and cheese are the most popular. Same as with sauces to keep my costs low while still gaining a lot of business I will go with the two favorites of my market.



This shows how many times in a week the people who answered eat hotdogs, this shows me that 52% eat them 4 times a week this lets me know that I will be selling a lot as just these 26 people who eat 4 a week could possibly buy 104 hotdogs from me in total and with the price I set of 1.50£ I would earn 156£.



This helps me get an idea of the income of the area I am in as well as what they think is a fair price. The majority said 1.50 is how much they would pay so this has helped me to decide that I will set my price to this as it what they can afford.



The results from this question let me know how much an influence advertising plays, most people are not affected by it but some are. This lets me know that I can spend less on advertising save me money as it will not affect me as much if I had spent a lot more.

Now after going over all the results from my questionnaire I know and understand more about my potential customers, I have found that they do enjoy hotdogs and are willing to pay a decent price for something that they want. They want ketchup or mustard with cheese or onions those are the topping and sauces they prefer and those will be the ones I provide them with. The customers will buy their product from the company that advertises but mainly on who has the better product as I found they do not make their choice solely on who has the better advertising. The majority of people who filled in the questionnaire stated they are willing to pay 1.50£ per hotdog and I agree that this is a reasonable price and one that they know they can afford. My competition is anyone who has a better product and advertising then myself as this will draw away all of my customers so I must make sure to focus on the quality of my product as that is what people are interested in the most.

# Hotdog Questionnaire

This questionnaire is aimed to aid the decisions to set up a business. The results from these questionnaires will then be taken and looked at to help make choices to benefit the business. Please circle your answers and be and give honest answers as they will help affect the business.

1. Do you like Hotdogs?

Yes      No

2. What sauce do you prefer on a Hotdog?

Ketchup    Mayonnaise    Mustard      None

3. What toppings do you prefer on a Hotdog?

Onions      Cheese            Bacon Bits    None

4. How many times a week do you eat a Hotdog?

1            2            3            4            5            6            7+

5. How much are you willing to pay for a Hotdog?

1.00£    1.50£    2.00£    2.50£

6. When you look for fast food does advertising affect your choice?

Yes      No

Thank you for your time, we value your opinion as hope they will help us create a business that will be able to cater to what you enjoy.

# Personnel

## Introduction

In this section I will be looking at the different types of business and which I will be using for my own business, and the reasons for my choice as well as the reasons behind my choice and any problems that may arise. I will be listing my business objectives, the importance of each and how I aim to obtain them. I will also be listing different methods of communication, the types used in my business and any problems that I may encounter and how I will solve these problems. I shall also be discussing deferent recruitment and training methods as well as who I am going to employ as well as how much I will pay them and the hours they would be working, finally I will be looking at the span of control in a business.

## Types of Business

There are several types of business each with its advantages and drawbacks, there are two types of business private sector and public sector. A private sector business is a business is one that does not sell shares to the public so it is owned by individuals; a public sector business is the opposite of this it sells shares to generate capital and is owned by the public. A public sector business is run by a board of directors chosen by the owners i.e. the public and a certain percentage of the profit each year is distributed to those who hold shares. There are two types of business ownership firstly there is a sole proprietor also known as a sole trader, this is a person who controls their own business and operates as an individual, they make all the decisions and take all the risks. The second type of ownership is a partnership which is when two or more people own a business together; they make the decisions together and share the profits and risks.

My business will be a private sector business as I will not need a large capital to start up, and I will not have to pay out any money to share holders and I shall be operating as a sole trader. The advantages of this type of ownership is I will be my own boss, I will have full control over my business and can ensure the goals I wish to achieve are accomplished, however there are the drawbacks to this type of business as well. I will have unlimited liability so everything I won is at risk if my business does not work out, I will have problems competing with large companies, I will have to do all the work myself and I will be unable to for example go on holiday as I must be around to run the business.

The main problem faces by this type of ownership is I will have unlimited liability, this means everything I own would be at risk of being repossessed in order to pay of any outstanding payments from loans. The other major problem is I will have to spend most If not all my free time working, the only ways to avoid these problems are to ensure I am sure I will be able to make enough money and plan my working time properly so as not to take on too much.

## **Business Objectives**

Objectives are goals set by the firm as targets for them to reach, the two basic objectives part of any business are survival and to make profit, these are the two that all businesses must meet. Once the two basic objectives are achieved companies may look to reaching other objectives such as expanding or providing a better product at the same cost.

My business objectives will be to break even, the most common problem with starting up a business is covering costs so by finding a way to covering costs I can then begin to make profit. Another objective of my business will be to ensure the customer is buying a product of a good quality this is needed to obtain customer satisfaction, this is so I can be sure customers buy from me regularly as they will know I am selling a product of a good quality which will allow me to cover all of my costs.

In order to obtain my objectives I will have to see how well my first few months go and adjust my prices accordingly in order to break even and start making a profit, unfortunately that is the only option I have as I will not have much to spend when starting up on advertising. To make sure my product is of a high quality I must make sure I only buy materials of a good quality even if they are more expensive, by doing so I will be able to charge more as I am selling a product of a better quality for a higher price, and it will ensure customer satisfaction.

## **Communication**

There are two forms of communication internal and external. Internal communication is communication that takes place in the same firm where as external communication is communication that takes place between two different firms. There are two channels of communication vertical and horizontal, vertical is when information travels up and down the chain of command where as horizontal is the passing of information through employees at the same level. There are two types of communications formal and informal, formal communication is the sending or giving of information through official channels where as informal communication is all communication that is not formal.

In my business I will be using both internal and external communications, I will have to speak with suppliers in order to get the materials I need to make my product, and I will have to speak with my employees about tasks I wish for them to carry out. I will be using informal communication as it faster and easier, that is a important factor as I will have to spend a lot of my free time doing extra work so it will reduce the amount I will have to do by a small amount.

The only problem I see from using informal communication is I may not always make it clear what supplies I want, or what tasks I would like my employees to carry out. To avoid this problem I will ensure I make it clear what I want when communication with suppliers and my workers as this form of communication will save me a small amount of free time.



## **Employment**

Employees can be recruited through internal and external recruitment; internal recruitment would be looking for someone who already works within the firm to take a new job usually one of a higher position. External recruitment can be done through advertising, the use of a personnel department or through a job center are ways of recruiting employees. I shall be employing myself and shall not be looking for any additional staff while my business is starting up. When I do find I am generating enough profit to allow me to hire extra staff I would recruit through a job center and by advertising in the local newspaper if possible. The type of training that would be most suitable for my business when I am able to employ staff would be staff training, this is when a new employee works with a member of staff to learn the protocol of the business, in my situation the new employee would be working with me in order to learn how I run my business.

My job will be the entire running of the business to begin with but once I do employ staff after training them I shall be able to entrust part time cart duty to them to allow me to handle other tasks and leaving me with more free time. I will pay on an hourly fee which will depend on the amount of profit my business generates, when I do look for employees they must have good social skills as they will have to be working with me full time to start with and customers, they must also be able to handle any problems that may arise with the customers.

As I am running a small business I will not expect my employees to be part of a union as I only intend on hiring one to two employees but that will not be until I can generate a high enough profit to cover their wages. I do not plan on having any fringe benefits as I will not have much to offer, since I don't expect to generate a very high profit and the amount of income and change quickly having fringe benefits may end up in me making a loss during periods of low income.

# Marketing

## Introduction

In this section I will be discussing marketing I will define marketing as well as the four P's of business I will then be discussing how each of the 4 P's are important within my business. As well as this I will also be presenting the logo which I shall be using for my company.

**Market:** A market refers to the buying and selling of goods and services.

**Marketing:** The activates the business undergoes so as to ensure its product that the customer wants is delivered to them at the right place at the right time and in the right quantity.

**Marketing Mix:** The range of activities a business may use to market its product: this consists of the four P's.

**Place:** This is the part of the marketing mix which determines where a good or service is going to be sold and how it will get there.

**Price:** This is the money that is paid when goods or services are bought and sold

**Product:** The product is the item that is bought or sold it could be a service or an item that has reached the end of its production process.

**Promotion:** This refers to how a product should be marketed or sold.

The Marketing Mix refers to the four P's together, so using the marketing Mix I will be able to find where to set up my business and how I will get my product where I want it to be. I will be able to decide on a price and my product which is a hot dog that has already been decided but I will also be deciding on they way I am going to advertise my product.

## Advertising

Advertising is the promotion of a product it is when firms make the public aware of their product and persuade them to buy it. There are three types of advertising first is informative this is just letting the public know of your product, secondly we have persuasive this is used to try and persuade the public to buy your products and finally there is defensive this is done in retaliation to another company's advertisement. There are also two methods of advertising direct advertisement is when advertising is aimed at individuals and there is indirect advertising which is just general advertising to the whole public, but it may also be targeted towards a specific group of people. For my business I will be using informative advertisement, indirect advertising take place in the media as it is seen by the general public as my product isn't aimed at a specific group.

There are three effective ways for me to advertise my business; the radio, flyers and in the newspaper. Advertising is always beneficial for a company but each form has its downside, after consideration about my finances I realize I wont have much to spend on advertising to begin with so I have choose one of the three I have listed as my form of advertising. Each has its downside to being with the radio although many people listen to

it on there way to work or while sitting at home they must be listening to the local station as anything other then that will be very costly not only that my advert will only be played at a certain time so peoples radios must be turned on at that time. Flyers are easy to make and I can do that myself and hand them out but from what I have seen it seems most people tend to take them and just not look at them or throw them away and when handing out a large quantity I am sure to find a large number of them have been disposed of meaning that have gone to waste. Advertising in the newspaper means only those who read it will be able to see my advert and since I don't have a lot to spend I will be advertising in the local newspaper.

I have chosen to advertise in the local newspaper as I feel it will be the most cost effective way to advertise, I can overcome the problem of people not reading the newspaper by waiting till I have more finances in which to spend on advertising myself in different ways, till then I will just have to wait to see if this is effective if not I could try advertising in other ways.

### **Sales Promotion**

A sales promotion is a special event or offer given by a business in order to attract more customers which will boost short term sales, there are different ways in which to offer sales promotion, and some of these are:

- Special offers – buy one get one free or a certain percentage off the price of an item.
- Free gifts.
- Free samples.
- Sales – reduced prices at certain time of the year.

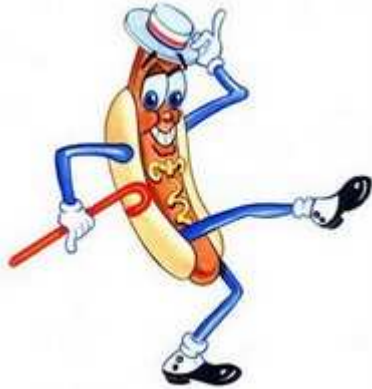
Sales promotions last a short amount of time as they are usually to attract a larger customer base.

I will be using two different sales promotions, the first of which is reduced prices on holidays and Saturdays as there are the days when most people are tourists are out and possibly want a quick meal to carry on with what they were doing. I will also be giving free samples for a week or two when I am starting up just to let people know about the quality of my product, the free sample would simply be a small sausage on a toothpick which some sauce on it. There are of course problems with these, people may only be interested in my product while these promotions are on so when I am not having them by business will be much less, to try and avoid this I will being with waiting to see how my first promotion goes and if people are buying my product regularly I will then introduce my other promotion.

### **Logo and Corporate Identity**

A logo is a symbol or a badge that allows the public to recognize a company quickly by associating it with its logo. The purpose of a logo is to give a company its own identity so people are able to tell it apart from other businesses that sell the same products, it is used

to build up a company's image as people will associate the company with the quality of their product, so every product with the company logo must be at the same standard as that is what is expect from them. In advertising the logo is used so people are able to tell one company's product from another. Below I have the logo which I intend on using for my company



The logo is meant to attract attention and I believe that this is accomplished with the one above, it is also comical so it is surely going to be remembered by those who see it so when they think about fast food the will think about my log and my product.

The corporate identity is the aims and values the company wants to be associated with; this is so the general public knows where the firm stands with its views. If a firm has good values then the public will be given a good impression of them and this makes up the companies identity. I intend on building a good reputation for my company by providing a high quality product and ensuring customer satisfaction.

### **Product**

Since my product is a hot dog I do not have a need for packaging or how it looks as I am providing a food not some other product, people will remember my product for its quality though, so I must ensure my product is to a high standard. There are not many problems I will face with my product as long as I make them in the same way each time so the customers are satisfied with my product. I must also be sure my product is safe so my work space must be clean at all times since I am providing food, if one of my hot dogs do make someone sick then it will hurt my business as I will be in a relatively small city and people are able to find things out very quickly. To prevent this I must check the hot-dogs are made in a hygienic way that is also fast as I do not want to keep my customer waiting as then my level or service will be lower.

### **Price**

There are many factor involved in deciding the price of a product, I must first see how much it costs me to make my product and how much other businesses charge for the same product how much I am looking to make and how much my customers are willing

to pay. All of these factors have to be taken into account while I decide on the price of my product. I have already handed out a questionnaire in which I asked how much people were willing to pay for a hot dog most said they would pay about one pound fifty. So this gives me an idea on how much to charge, firstly I must find out the cost of my each hot dog and after a few weeks of sales I will see if I will be making enough to cover my costs if not I will have to raise my price or lower production cost of my product, without sacrificing the quality. Also depending on the price of my product the amount I will be able to charge during my sales promotions will vary as I must ensure that the amount of income I need to cover costs for that day is met.

### **Place**

The location of my business is very important as if I am in an area that only local people would go they will be my market and I miss out on the money that tourism brings in but if I am in a central area where a lot of people walk through everyday then I should be able to make larger amounts of money. There are a few things to consider when deciding the location of a business, I must consider if I am near transport services as that will bring possible customers right to me, a central area with lots of shopping as that will attract lots of tourists who would want a quick meal so as to have plenty of time to look around. The area I am in must be clean and bright because if I set up in some alleyway people will not be inclined to buy from me where as if I am in a shopping center where everything is clean and bright there is nothing that would make people think twice about buying my product.

I have already chosen a location I would like to setup my business it is in the central area of the city, the reason for my choice is because I am at the starting end of the high street and it is the place the tourists will bring their shopping from so they may want a quick meal first. I am near a taxi stand so it's an area where people are picked up and dropped off, it is also an area where lots of school children walk to school and again back home in the afternoon. I will have them as customers as they may be looking for an after school snack or lunch. I am also next to a shopping centre so I will be able to attract locals and tourists to my business with ease as they will both be in the same area. The only problem I can see with this location is I will be paying a high rent to the government because it is such a good location to be in, not only that I will be close to a few other fast food services so I must make sure that I can serve my customers faster and with a better product so I am able to compete with these other businesses.

# Production

## Introduction

In this section I will be looking at production, first the different types of production and the different factors. I will also be deciding which type of production I will be using in my business and why. I will be considering my supplies and how I will choose my suppliers. I will also be deciding on the amount of stock I will be keeping and how I will control the amount of stock I have.

## Types of production

Production is the creation of a good or service and it involves all the stages of getting the good or service to the customer which are primary, secondary and tertiary production. When making a product the factors of production must be taken into account which are land, labor, capital and enterprise each must be considered when making a product. Land is the space in which the product can be made in, labor is the workers who help with the producing or selling of the product, capital is the resources like equipment as well as money it is used in making the product and enterprise is the initiative needed to start a business.

There are three different types of production which can be used to make a product there is batch production which is the making of the same item in large quantities so they are ready to sell. Flow production which involves continually making a product on a production line and the third type of production is job production which is the producing of a product to meet a single order so it is made when needed.

For my product which is a hot dog I will be using secondary production as I will not be getting the meat and turning it into the sausages or baking the bread and such I will be buying them and assembling them into the hot dog. I will be using job production as then my customers can see me making the hot dog in front of them so they know it is freshly made, I have chosen this method of production simply for this reason so my customer knows they are getting a freshly made product and will most likely return as they enjoy my product. There are of course problems with this form of production, it does not allow me to move a large group of customers quickly so they all would have to wait while I make each hot dog as a result this could cause me to lose business, a way for me to prevent this is to make a small batch of hot dogs before peak times or leaving the sausages in warm water so I only have to assemble the hot dog quickly. Scale of production is the amount of a product a company produces in a year I will be unable to decide on my scale of production as there is no way for me to know how many hot dogs I will be selling in one day, or how many customers I will be getting. I can however get an estimate on my scale of production from a month or two of sales but even then it would only be a rough estimate.

## **Suppliers**

When deciding on a supplier of a product to buy from I must firstly make sure I am able to afford it as the price may be too high for me to make a big enough profit off it so that is the first thing to consider. Secondly I must look at the quality of the product as it is no good having cheap stock that isn't of a good quality as it will drive away customers from my business. The supplies I will be needing I will have to buy from wholesalers as I can not make big enough orders to buy straight from the producer even if I could the supplies would most likely go waste before I could them so it would make more sense for me to be buying from a wholesaler. The reasons I will use to decide where I get my supplies are stated above it has to be good value for money, the price of the supplies must not be too high or I wont be able to make a high enough profit but at the same time it has to be good quality so I can ensure my customers are satisfied.

## **Stock and Stock control**

The stock I will be needing for my business are:

- Sausages
- Bread
- Ketchup
- Mustard
- Onions
- Cheese

As I know which sauces and extras I will need as they were the top two items chosen from my questionnaire. It is difficult for me to decide on how much stock I will be keeping since I am dealing with food products which have a expiry date so for the first few weeks I will have to keep adjusting my levels of stock until I have a rough idea of how many I am selling everyday week and month. Once I know how much I am selling I can then decide on an appropriate level of stock to keep. Ideally I would like to keep at least 50% extra then the total amount I am selling so I can be sure I will not run out, for example if I am selling 50 hot dogs per day:

$$50 \times 6 = 300$$

$$300 \times 4 = 1200$$

So if I am selling 50 hot dogs a day then I am selling 1200 a month so I would to keep 50% extra so it would be

$$1200 \div 2 = 600$$

$$266 + 600 = 1800$$

So I would make sure to have 1800 hotdogs every month if I do find out after a few months stock is going waste I will keep less to make sure none of my money goes to waste. When deciding the minimum amount of stock I will keep, again I will have to wait

till I know how much I am selling I would though like to make sure that my level of stock isn't below 60% of the scale of production so if I am selling 1200 per month then I would like to make sure my stock level of stock never goes below 720 which would be 60% of the scale of production for that month.

The only problem I see from this are the fact that it will be a few months till I have an idea of how much I am selling so initially there will be days where stock goes waste or I run out. The other problem is storing now while I can keep my stock in a spare room in my home I will need to have enough stock with me to last the day or I will have to be closing to run home to get more stock and in that time I may lose business.



# Finance

## Types of Finance

Finance is the way in which a business uses money and how the money it gains, four different sources of finance for a business that is starting up these are Capital, Bank Loan, Debentures and Overdrafts. I will be using two of the sources of finance for my own business, firstly I will need to have a capital this is my own money that I am putting into the business from my savings this is so I am not starting a business that has no money in its bank. Secondly I will be getting a loan from the bank as this will pay for my starting up costs which are very high as I will need to purchase all the needed equipment. The problems I will be facing when trying to get the money for my business are getting a high enough capital, I do not know how much the bank will be willing to give me so I must ensure that I have enough capital to cover a substantial amount of the. Regarding the bank loan, I will have to convince the bank that my business will succeed so they know I will be able to repay a much higher loan which I hope to use to cover all my starting up costs. The bank loan is the best way for me to cover my start up costs so I have researched and worked out how much I will need and what it will be for:

£1000 purchase of cart

£100 small generator

£10 a chair for myself

£600 wages

£500 legal fees

£420 stock

£400 other

Total cost = £3030

I will ask for a loan of 3200 and put the extra into my capital, I expect the interest rate to be set at 15% over 3 years so I will be paying:

$$3200 \times 1.15 = 3680$$

$$3680 / 12 = 102.2$$

The bank will round all figures up so I will be paying £102.30 every month for 3 years.

I achieved all of my figures by researching information and though speculation and calculations, the price of a cart was £1000 which I looked up as well as the price of the generator. I decided on my wage which I will pay to myself every month, I expect to sell 40 hot dogs a day so after calculating how much stock I would need every month I decided I would need I added 25% extra to ensure I would not run out of stock and that gave me the price of my stock.

### **Fixed and Variable Costs**

Fixed costs are costs that do not change no matter what the level of output is where as variable costs are costs that change with the level of output. My fixed and variable costs are as follows.

#### Fixed costs per month:

£20 to run the generator  
£600 wages  
£102.30 loan  
Total = £722.30 fixed costs per month

#### Variable costs:

£00.15 per hotdog  
£00.10 per bun  
£00.02 ketchup  
£00.02 mustard  
£00.06 napkin

Total cost = £0.35

The scale of production must cover both my fixed and variable costs I estimate to sell 40 hot dogs per day and will be opened 6 days a week so that will be 960 hotdogs sold per month.

$$722.30 / 960 = 0.75 \qquad 0.75 + 0.35 = 1.10$$

This shows to cover my fixed and variable costs each month I must sell 960 hotdogs at the minimum price of £1.10 as that is the amount needed to cover my costs, I will be selling each hotdog at £2.00 each so in the event I do not sell the needed amount the extra made should cover the costs.

**Cash flow forecast**

	January	February	March	April	May	June
Sales	1000	900	1200	1000	900	750
Revenue £	2000	1800	2400	2000	1200	1500
Loan £	102.30	102.30	102.30	102.30	102.30	102.30
Cost Of Materials £		315	420	350	315	262
Wages £		600	600	600	600	600
Electricity£	20	20	20	20	20	20
Total Costs	122.30	1037.30	1142.30	1072.30	1037.30	984.30
Gross Profit	1877.70	762.70	1257.70	927.70	762.70	151.70
Opening Balance	1000	2877.70	3640.40	4298.10	6025.80	6588.50
Closing Balance	2877.70	3640.40	4898.10	5825.80	6588.50	6740.20

I have estimated the amount I will sell each month but I will justifying the amount I set, January being the month I start people will be curious about my product so they will be inclined to try it to see if it is of a high quality I did not include wages and material cost as these will be costs covered by my loan. In February it tends to be colder so I expect less people to be outdoors, in March schools have a break and the weather gets a bit better so my sales should go up. In April the weather is good and children are back in school, May is about them time schools start preparing for tests and in June it starts getting warm so people will be more likely to go to the beach now. The only problems I can see are the sales for the summer months to make sure that I keep up my sales will move my cart to the beach where I should be making more sales since there will be a lot of potential customers. The amount of revenue is achieved by multiplying the sales by the cost of my goods which is £2.00 and I have already explained how I decided to set that price, the loan does not change and once it is paid this cost will be eliminated. My opening balance was the amount I set aside from the bank loan £400 and £600 of my own money this is to ensure my business had plenty of money in case in the first few months my sales are because people are unaware of my product or are not interested.

**Credit**

Since I am selling a food product I will not be offering any credit, I will be receiving payment as soon as the product sells, I if use forms of credit I must then make it my responsibility to ensure I am paid which will cost me a lot of time so it is no viable. After my business is up and running without problems I may start to offer discounts which I discussed in previous sections, but only if I am able to cover my fixed and variable costs with the discounted price.

# Evaluation

In this section I will be looking at how well my planning and preparation were for my business, I will be looking at the positive and negative points of my report and seeing if what I had planned went to plan and the problems encountered.

Looking at the self assessment I see that my ability to communicate with customers allows to gain customer loyalty, but I am easily distracted this led to me making careless mistakes in my cash flow forecast which I then had to go back to correct. This careless mistake cost me valuable time which could have been better spent on other more important tasks. Looking at my skill and talents my knowledge of Microsoft Office programs allowed me to present my report in a clear and eye pleasing manner, it also allowed me to organize all of my work. One skill I believe I am missing is the creativity, I am not as creative as I would like, a result of this is I am not able to look at an opportunity for example a public holiday and use it to the full advantage until it becomes too late to implement my idea, and an example would be promoting with a special topping for that one day to increase sales.

After looking back at my gaps in the market section I can confidently say there is a need for my business, the reason for this is I will be running the only business that focuses on selling hotdogs. I do not feel there is more competition, but my competition was there to begin with. I have to compete against fast food chains which are well known across the world and are able to produce on a larger scale than I am, this competition is still present and is not generating much higher amount of profit than I am able to.

As I expected I have been attracting my target market, although I do not feel I asked enough questions in my market research section. If I had asked more questions I could have possibly had a better idea of how well my business would have done from the beginning. By not employing staff I do not only save by not having to pay out any wages, I can use the amount of money saved to invest back into my company. The downside of not having any employees is I must do all the work myself, so after running the cart for the day I must then check stock and the amount made as well as ensuring all is in order. A result of this is I don't have as much free time as I would like, so looking for a part time employee now if possible, this would allow me to get more work done while I am safe knowing my business is still running.

The location which I choose to run my stall worked out very well, my stall is the first and last thing seen by tourists and people visiting the city. The reason for this is because I have set up at the starting end of the high street. One problem I face is the drop of sales in the colder months as not many people are willing to stop to buy a hotdog in the cold. The only way in which I can avoid this problem would be by renting an establishment so as to which to expand. The only problem with this is I do not have the funding so I will either have to take out another loan or look at my sales and I could get a rough idea of when I will be able to save enough capital for a space and the work that will be needed to be done. Another problem I foresee is the drop of sales in the summer months when most

people are at the beach, to avoid this happening I intend on relocate me business near a beach to ensure I am able to make as I can.

Looking at my cash flow forecast, I can see my business has been rather successful so far, I am making a larger amount of profit then I had expected. The one problem I faced with my product is the price; some customers have complained that my prices are slightly high. To try and bring the cost of making my product down I plan on making a deal with my supplier or another supplier to supply me with the good I need at a reduced cost, this should allow me to lower my prices.

I believe my business has been rather successful, I am able to bring in a steady amount of income even after paying my own wage meaning I could increase my wages or invest more money into my business. If I were to invest into my business I would look to expand by obtaining an indoor space, I would of course need a large sum of money in order to do so as well as a full time staff. The advantages of that would be that I am able to focus on paper work and other matter and know that my business is being run; before I can do any of this though I must be sure I am able to bring in enough customers to cover all the costs I will have. One possible way for me to obtain a sum of money in order to expand, would be to become a partnership. If I were to do so I can then rotate shifts between me and my partner giving me much more free time but I would have to split the costs with them.

There are of course factors which I am unable to control which may prevent my plans, one being the weather. On a day when it rains I have only a few customers if the rain persists throughout the day, this leads in to a very low income for that day. Laws passed by the government can also cause a problem when I wish to expand, laws may be put in place which could result in me having to spend more money to be sure my business meet the requirements set by the government. These things however are out of my control, where as I can control who my employees are and the way in which they behave with the customer. It is important that any employees are courteous to try and entice the customer to return to continually buy my product.

From all of this I have learned that if I want to peruse this business I must be willing to put in long hours of work in order to reach my goals, the result has been that I am not only making a profit which most starting business do not tend to do, I am also able to repay my loan from the bank. If business keeps going the way in which it has it is highly likely my business will survive.

14<sup>th</sup> March 14, 2008

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