

# Answering the questions regarding the business ideas

Business



**ASSIGN  
BUSTER**

Business Ideas By 10th, March, STEP ONE: 'Creating and Delivering Value'

The Targets for the Business Idea, and Value Intended to Co-create with them The target consumers for this business are university students. The expected consumer products in this business idea are fruits, vegetables, and other fresh products that are considered imperfect by farmers. These will be sold to University students in the form of fruit salads and fruit juices.

Normally, most farmers do not make use of fresh produce such as fruits and vegetables, which they consider imperfect; therefore, these are disposed off, in many cases. However, this is wastage of these fresh produce, which might still serve a purpose and lead to profitability. Therefore, these will be collected from farmers at a small fee, since the farmers do not attach great value on them. These will then be prepared and developed into different end products such as juices and salad, which will then be sold to university students. University students are the most suitable consumers for this business idea, basing on various factors. First, the business idea involves imperfect fresh produce, including fruits and vegetables, which farmers consider less valuable. Therefore, their cost is lower, which is more suitable for most university students, considering the financial status of most of them, which is quite low. Most university students operate on a strict budget, therefore, are most likely to buy produce that have a low cost. Nonetheless, Caputo (2008) notes that it is important for a business to identify its specific target customers, to help in goal setting. This business idea aims at empowering the youth and sharing with them an important value, which most are unaware of. This will communicate to them the fact that wastage is wrong. The youth will learn that most of the things, including produce, which

they waste, could earn them profits. Through this business idea, profits will be earned on imperfect produce, which most farmers waste by disposing off. This will prove that it is possible to make maximum use of resources in our environment, instead of throwing them and wasting them away. The target customers have been established to be university students. According to Marketing Minefield (n. d), the population of students in the UK has continued to grow in the past decades. Students in higher education in the UK are approximately 1. 8 Million in number. Students operate on a highly restrictive budget, since most of them are not yet fully independent, thus lack a constant supply of income. For this case, Marketing Minefield (n. d) noted that it is easy for a company to gain student loyalty, if it uses the right strategies, which should be mainly influenced by the product pricing. For this case therefore, this prospective business will consider pricing of the fruits, salads, and juices, as the main factor in attracting more students. The Industry Data and Potential Competitors for the Business Idea Since this business involves sale of fruits, juices, and salads to university students, it is more likely that the business will experience considerable competition in the market. Healthy eating is highly encouraged in the UK today, therefore, many people and companies have ventured into the business involving fruits, which are considered part of healthy eating (Market Reports 2013: Report of The Fruit And Vegetables Task Force 2010). The main competitors for this business are most likely to be supermarkets, big companies, as well as other smaller retail businesses in the fruit and vegetable industry. In addition, the fresh fruit juices produced in this business are might face considerable competition from soft drinks, flavor milk, mineral water, among

other products such as buttermilk, which have been labeled as safe, healthy, and nutritious. According to IBISWorld (2012), the fruit market in the United Kingdom continues to register a growth over the years. Despite the hard economic times experienced, the fruit industry has continued to perform well. This is mainly because of the increased demand for fresh fruits in the UK. Therefore, this shows that this business idea is viable, if well executed. Mintel Store (2011) estimate that between 2005 and 2010, the fruit and vegetable industry in the UK experienced an average growth of approximately 24%. It is also estimated that in the UK, close to nine out of ten people eat fruits and vegetables. In addition, a quarter of these consume close to six types of fruits to balance their consumption. Therefore, venturing in the fruit market of the UK might prove profitable, thus, this is a brilliant business idea. Since this business idea is in form of fruit retailing, the main competitors will be supermarkets. According to IBISWorld (2013), fruit and vegetable retailers have faced immense competition from supermarkets, over the past five years. Supermarkets sell fresh fruits, juices, and packaged salads. They also sell preserved fruits and vegetables. In addition, big chain stores such as Tesco have a wider range of fresh fruit and vegetable produce, compared to smaller retailers (McEwan 2012). The competitive advantage of these competitors lies in their high convenience, which attracts more students to shop from them (IBISWorld 2013). Utilizing the Internet and Social Media to Achieve a Differentiated Positioning for the Business Idea For this business idea, social media and the internet might play a great role. This is with regard to the nature of the customers the business targets. According to Market Minefield (n. d), it is easier to use the internet and social media

channels to reach out to university students for business purposes. This is because most university students, approximately 99%, access the internet, at least once in a week. Compared to the other people in the population, university students portray a higher trust level in online shopping. These also have a greater access to internet, and surf for longer than other people in the population (Close 2012). These factors are therefore, essential in deciding the marketing strategy of the business idea. More than three-quarters of marketing for this business idea will therefore, be through the internet. Social media sites such as Facebook, Twitter, and MySpace will also be instrumental in advertising. Business pages for each social media channel will be formed and popularized among the university students, in order for them to know the location of the business, the pricing details, among other essential facts about the business. Depending on the capital available, advertising and marketing activities could extend to outdoor advertising, referral programmes, flyers, and student radio. These would be essential for the business, since they would reach out to more university students, who are the target customers of the business (Gay, Charlesworth & Esen 2007). Finally, to cut on cost of students due to their restrictive budgets, with enough capital, students might order online and their orders be delivered to them. This would also be essential considering the fact that most students are busy, and might not have sufficient time at their disposal for purchasing fruits and juices, especially if their schedule is tight. Nonetheless, all these factors, if well strategized, will bring this business idea to life. Works Cited Caputo, C 2008, " The Small Business Start-Up Kit." Nolo, New York. Close, A 2012, " Online Consumer Behavior: Theory and Research in Social Media,

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