

A market strategy for a wedding reception venue business



**ASSIGN
BUSTER**

Amanda's Ballroom Reception is a newly established wedding reception venue business that caters for couples of ALL ages, nationalities and traditions who wish to engage in the beautiful sacrament of marriage. The sole owner of the business, Ms. Amanda Abboud, will take full responsibility for any debts incurred in the business, and receiving no profits during the establishment phase of the business, making it a Sole Trading Business, that is, an unincorporated business with unlimited liability.

The establishment and growth phase of Amanda's Ballroom Reception will definitely face obstacles at times, but with greater advertising, a lot more awareness of the business, and consumer loyalty, the business is sure to become successful and profitable, and satisfies all customers.

Although the business consists of one owner, employees are needed to assist the running of the business including a manager, receptionist, caterers/cooks, waiters, a host and cleaners. The business needs to ensure that all employees abide by all legislations, including OH&S and EEO legislation acts, to prevent injury and sustain a great and enjoyable working environment at all times. Amanda's Ballroom Reception consists of no more than 20 employees, and because it is a non-manufacturing organisation, is classified as a Small Business.

Amanda's Ballroom Reception is located in the Bankstown area as the business concentrates on hosting mainly traditional Lebanese weddings, because of the high number of Lebanese residents in the area, as well as other multicultural feasts and celebrations which helps meet demand.

Although Bankstown consists of a number of very popular wedding reception

venues already established, it increases competition for all businesses, but will also provide greater variety for the community, as only one big wedding reception in a large suburb will not suffice.

In order to establish and maintain a successful business, a mission statement is useful for decision making for the business' long term future. The main objectives include –

Gaining consumer loyalty and trust

Sustaining a healthy environment to work for employees

Providing sufficient amounts of profit

Expand awareness by advertising outside the local area.

BUSINESS DESCRIPTION AND OWNERSHIP

Amanda's Ballroom Reception business was created to give consumers a wide variety of options to offer the fairytale wedding people dream of through food, catering, decorations and setting. Amanda's Ballroom Reception is a tertiary industry whose prime function is to provide a service for those couples ready to take each other's hand in marriage. It is also a market niche, as it specialises in providing celebrations of marriage. It aims to gain consumer loyalty and trust by providing honesty and great service to the public, sustaining a healthy environment to work for all employees, producing sufficient amounts of profit in order for the business to expand and become national, and expand awareness by advertising outside the local area through various forms of media.

The legal structure of Amanda's Ballroom Reception is a Sole Trader where only the owner takes full responsibility for any debts, and receives little or no profits during the establishment phase. Amanda's Ballroom Reception will therefore be an unincorporated business, which comes with unlimited liability, which means that any debts incurred in the business will fall solely under the owner/s responsibility, that that they must repay debts by selling person assets in order to earn any source of funds. The establishment and growth phase of the business will definitely face ups and downs, especially as the owner is an entrepreneur taking the risk in opening a new business with little skill or knowledge, but with greater consumer awareness the business will hopefully become successful and profitable. Amanda's Ballroom Reception will contain no more than 20 employees, including caterers, cooks, cleaners and decorators, making it a small business.

The location in which the business will open is the Bankstown area because it business will concentrate on hosting mainly traditional Lebanese weddings with customary food, music and entertainment because of the high population of Lebanese in this area, as well as many other multicultural weddings and feasts which will help meet demand. Considering this area contains a number of other wedding reception venues, it will allow larger variety for consumers.

Amanda's Ballroom Reception is associated with providing a service for those couples looking to get married. Not only does the business provide a venue and food, but will create an enjoyable atmosphere for all ages during a great celebration. Amanda's Ballroom Reception is a responsible event organiser and offers what any other business would plus much more. This <https://assignbuster.com/a-market-strategy-for-a-wedding-reception-venue-business/>

business is definitely recommended because the service is outstanding and consumers will get exactly what they ask for, which is the key quality of providing a great service to the community.

The prime function of the business is providing great service for the community. Putting a smile on people's faces is definitely important to the business, as gaining consumer loyalty and trust is very important, which is exactly outlined in the firms mission statement. From satisfying customers, the business will slowly become more profitable which is one of the main aims of any business existing.

Not only does this wedding reception venue business offer a great variety of reception rooms, entertainment and food, but the business will also help organise a unique ceremony or any couples beforehand. By providing any requirements by to customers to create their dream wedding, it offers anything you can think of to create a day that a husband and his wife will not forget.

PURPOSE OF PLAN AND SITUATIONAL ANALYSIS

The purpose of writing a business plan is to ensure the greatest likelihood of success to the owner/s. It is important that all internal stakeholders understand clearly what needs to be done, and keep actual up-to-date market research in order to gain realism and accuracy in forecasting. This process should result in choosing the most appropriate and beneficial strategy, enabling the business to achieve its goals. Also, the business plan should be updated regularly to ensure it parallels a changing business environment. Usually, the major goals remain the same but the strategies

used may differ according to different internal or external environmental factors. The business plan must be realistic in order to meet all goals required.

Writing out a business plan will help in making Amanda's Ballroom Reception all the more successful, with well planned strategies and goals to generate a flourishing business. A plan is a scheme or method of taking action, which will make all elements of a successful business all the more clear. A mission statement included in the plan will initiate a start of the vision the business hopes to be in the future.

Goals are the overall accomplishments that a business plans to achieve in the long-term, short-term and during its day-to-day running. Different goals are set for all business, (social, financial, personal and environmental) and vary depending on their own individual profession. Different goals are listed as part of the business plan to ensure that they cater a great service for a wide range of people, as well as gaining a personal achievement. These include-

Operations

Improve rostering and scheduling processes of arranging staff.

Use latest technology to help business perform different functions.

Finance

Improve management accounting and reports for simple decision making.

Minimise debt finance.

Reduce credit sales.

Strategic Goals

Marketing

Determine consumer buying patterns.

Employment Relations

Increase wages and salaries for all employees.

Improve the skills of managers and employees.

Use retained earnings as rewards to employees.

Reduce overdraft.

Improve skill in calculating revenue statements, balance sheets and cash-flow statements.

Improve lead time, so production is completed more efficiently.

Accurately measure productivity to determine improvements in the business.

To conduct

Investigate existing competitors in the market.

Ensure employees abide by anti-discrimination and EEO legislations.

Social Goals –

Provide employment and career paths for residents

Donations towards Charities

Sponsorships

Fundraisers

Work efficiently and as a team with employees.

Keep loyal to anti-discrimination acts and Equal Employment Opportunity legislation.

Financial Goals –

Achieve sales growth

Attain a profit in the first two years of running of business.

Increasing market share

Quick growth of service

Personal Goals –

Own a successful business

Gain consumer loyalty and trust

Sense of achievement

Leadership

Friendship with employees.

Environmental Goals –

Use environmental protection initiatives

Recycling plastics and cardboard.

Minimise the use of fuels and process sewage.

A Situational Analysis looks at internal and external environments of the business to identify factors that affect the running of the business, whether the factors are modifiable or not. It also helps establish the current position of the business. A SWOT analysis can help establish a current position, and helps analyse reasons for the position of the firm.

Strengths (S) –

Skilled workers

Great reputation

Good financial position and location

Good technology

Excellent communication system

Great advertising

Weaknesses (W) –

Unexperienced managers

Needs improvement in innovation

Lack of consumer awareness

Opportunities (O) –

Expanding to newer and bigger locations

Buying out competitors

Changing government regulation

Add-on services for the reception venue business will become available.

Expanding the business nationally

Threats (T) –

Competitors!

Increased rent

Changing government regulations

Increasing inflation

Increasing raw material prices

Increased tax

A factor limiting present operations is the new establishment of Amanda's Ballroom Reception. The fact that it is newly opened evades the fast provision of the service this business provides. The establishment and growth phase of the business will definitely face obstacles, as any other newly opened business, but with greater advertising, the business will soon become successful and profitable and demanded by many.

The main competitive advantages of the business over competitors is that not only does it cater for a specific nationality, tradition or age group, but has a wide range of choices to suite everybody's taste or idea of a PERFECT wedding. The latest wedding reception venue business in Bankstown will most likely attract attention by a highly populated area, where they may like to trial the newest business and compare to existing businesses nearby. A definite competitor in the area is the very popular reception venue, The Bellevue. Establishing Amanda's Ballroom Reception close-by will definitely increase competition and tension for both businesses, but at the same time will provide greater variety for the community, as only one big wedding reception venue in a large suburb will not suffice.

Competitor Analysis – Comparing a competitor's state of their business by using the SWOT analysis to a new business' analysis can make clear where improvements need to be made in order to win over the opponent.

Strengths (S) –

Great amount of experience

Well-known by the community

Experienced managers

Skilled workers

Great reputation

Weaknesses (W) –

Poor choice of location

No innovation – people like change!

Do not advertise

Opportunities (O) –

Can buy out smaller competitors (they may choose to buy Amanda's

Ballroom Reception if it is not successful enough.

Threats (T) –

Competitors!

Increased rent

Increased inflation

Increased tax

Product Analysis – Amanda's Ballroom Reception is a newly formed business, therefore making it still part of the establishment phase in the business life cycle. Throughout this phase, the business will face many challenges; however, will also encounter challenges from all areas during its existence.

Establishment Phase – Customers/ retailers are not familiar with the product or the business so they might not invest in the service of this business they are unfamiliar with, which may result in longer periods of time for the business to get up and running.. Profit will be slow to begin with because expenses are higher than sales revenue, generating a loss for the business. The business needs to undertake expensive promotion strategies in order to advertise the product and make it familiar with consumers.

Growth Phase – Rapid increases in sales of service as consumers are more alert of the firm. Adequate cash flow must be maintained to continue the rapid expansion and sustain success. Competitors such as other wedding reception venues will be more aware of the improvements of the business, and therefore act on these improvements.

Maturity Phase – Sales level off and start to plateau. Focus on cutting costs as profits will now be generated. Time to employ more experienced managers to keep the business under control. Introduce a new work team and pay bonuses like fringe benefits to keep them motivated.

Post-Maturity Phase – Innovation, therefore increasing cash-flow and will attract customers. Cash-flow problems may start to emerge, so cutting down costs will be the best option to take. The state of the business may remain at a steady-state, or can fluctuate by increasing sales, or decline.

BUSINESS OBJECTIVES AND STRATEGIES

Whether this is the client's first wedding, a renewal of their vows or their anniversary, the business is interested in every detail of their event to be

both a pleasurable and a memorable experience. Therefore, Amanda's
<https://assignbuster.com/a-market-strategy-for-a-wedding-reception-venue-business/>

Wedding Reception business offers a host of packages and services specifically tailored to the needs of each couple. I am confident that this business venture will be a success. If everything runs to plan, net income is estimated to increase modestly by the second year.

The keys to our success are as follows –

Service the clients' needs promptly and efficiently.

Maintain an excellent working relationship with vendors, e. g. florists.

Maintain a professional image at all times

Different objectives are necessary in making the business successful and achieve the highest possible outcome. Some objectives include –

Improve consumer awareness. This can be achieved by expanding the knowledge of this new business through different forms of advertising. Advertising through television, local newspapers, radio and billboards will hopefully attract the correct target market, that is, couples ready to celebrate their marriage.

Create a great working environment. Keeping employees happy with their work environment is essential for a successful business. Making sure they all have equal rights, and abiding by the anti-discrimination and EEO legislations. Also providing them with their wages and fringe benefits they are entitled to.

Becoming a threat to our competitors. By continuously providing innovative ideas and offering the services to the market, where more and more consumers will be fascinated and our firm will expand and meet demand.

Extending management and business skills. By improving entrepreneurial skills of the owner, improvements in the ability to make good ideas will arise that will help in the profitability of the firm. As skills will increase, so too will the ability to complete a task, and therefore, they may choose to expand my business all around the nation. Possibly by more experienced owners buying the business, different ideas and trains of thought will be exchanged.

Sustaining a good reputation! Keeping the communities promises, and providing them with even more than they expect will definitely keep reputation at a steady state and possibly increase. This can be done by staying loyal and true to all customers as they are the ones taking risks and trusting us to give any service required.

Goals should be Specific to the area. What needs to be improved and what is being kept efficient should always be taken into consideration in determining how well the business is doing, and if any improvements are required. The quality of the service should be Measurable in what is advertised to provide. Supplying less than what consumers expect can see the demand for the business to decrease, and face down-fall. The working conditions for employees and owners should be Achievable, and have sufficient times off work for a break and to catch up in their personal lives. Ensuring the business provides Realistic services to the community, and only provides what can be promised, based on the amount of resources and funds

available. Ensuring the business runs on Time and what is promised to be completed by that moment to satisfy a consumer's highest expectation and beyond, and also making sure that quality does not decrease by doing this.

DESCRIPTION OF THE PRODUCT/SERVICE

Amanda's Ballroom Reception specialises in making the day that all men and women dream of come true! It specialises in planning, creating and producing the whole marriage celebration, after the couples have agreed to spend the rest of their lives together.

This day is one of the happiest days that any human will endure, and the business aims to make that day an even happier one! No matter what the age, Amanda's Ballroom Reception will cater every aspect of the celebration depending on your preferences.

The business is open 7 days a week from 8am – to 5pm, which is enough time for any couple to enquire about all of their special offers, and how it is PROMISED to make your day truly one you will not forget. Customers can feel free to contact the business on 97072468 or the business owner, Amanda Abboud, on 0412345678. The website <http://www.amandasballroomreception.com.au> also provides location and pricing details. It is guaranteed consumers will be shocked on how much is offered.

The business provides 2 different rooms with various themes that will make the celebration look all the more classy and elegant. The different rooms also cater for the amount of people you are willing to have to celebrate the special day with you. The Ball room is an elegant decor and unique layout,

and accommodates up to 800 guests, while the Pearl Room is an intimate, <https://assignbuster.com/a-market-strategy-for-a-wedding-reception-venue-business/>

beautiful room, accommodating for 200 guests. Depending on menus, prices range from \$89-\$149 per head.

The Falling Star – Warm and Lavish-

Golden Beach –

Perfect table plan software is used in preparing and organising table arrangements for all guests. It saves typing existing guests lists from spreadsheets, address books or other files. It allows you to drag and drop guest's names onto different tables in just one click, and experiment with table shapes and sizes. As well as all this, it allows you to print elegant plans, charts and stationery, including floor plans, table charts, guest lists, place cards and table cards.

STAFFING REQUIREMENTS

Although Amanda's Ballroom Reception consists of only one owner, employees are needed to assist the running of the business. Amanda's Ballroom Reception consists of no more than 20 employees. Because it is a non-manufacturing organization, it is classified as a Small Business, according to the Australian Bureau of Statistics. Some employees needed include –

Manager – As well as the owner of the business, Amanda Abboud is the head manager of Amanda's Ballroom Reception, and is in charge of the whole running of the business, from food, to decorations and music. The manager must ensure that all employees are working to their full potential, and all

legislation acts are followed. She must also make sure that employees receive correct pay and entitlements.

Receptionist – This person must be able to socialise with different people, and provide them with any information they require. Answering phone calls and adequate knowledge of computers is necessary in making bookings and providing information.

Caterers/Cooks – Three head chefs and 5 chefs/caterers will be employed for the role of providing food and drinks for all guests. They must be able to create innovative ideas with food, and presentation must always be eye-catching. OH&S and EEO legislations must be understood by these employees to ensure a safe and injury-free workplace.

Waiters – Ten employees will be hired for the role of the waiter. A mixture of men and women will be required. No special qualifications are required for the waiters, but it is preferred that they have had some experience on the role of waitressing. They must also understand the OH&S and EEO legislations, and work together as a team with fellow employees. The main recommendation for this role is great social skills, and being able to listen to what customers and guests ask and have good communication skills.

MC/Host – Up to two hosts will be employed for different nights of the week, and must be great entertainers.

Cleaners – Up to two employees will be needed in order to keep reception rooms clean at all times, to ensure the business follows the OH&S legislation,

all employees and guests avoid injury, and the workplace looks presentable and tidy. Hygiene is very important for the health of customers and workers.

Required Skills and Attributes of Staff – Each job needs particular skills/ qualifications. Amanda's Ballroom Reception requires people who are good at communicating with customers, confident, trustworthy, patient, reliable, organized and most importantly happy! Certain jobs require more skill and experience than others, but Amanda's Ballroom Reception is willing to provide great training and development sessions through inductions in order to gain the most from all employees, so the business is confident that all employees are working to the best of their ability.

MARKET ANALYSIS AND STRATEGIES

Amanda's Ballroom Reception aims at targeting any people ready to get married. No matter the race, gender or preferences, they cater according to what the customers ask for. Whether it be food, music or even decorations, Amanda's Ballroom Reception will cater to create your dream wedding. This business does not specialise in any certain age groups, but will supply for both a traditional or modern wedding, as they believe no-one is ever too old to get married as long as you have found your true partner. This business will appeal to any couples looking to celebrate their wedding vowels, and will even appeal to the parents having to let go of their children. No matter your income, this wedding reception business will cater for people will all allowances, and varies depending on how much you choose to spend.

Although the location of the business already has a highly popular reception venue, the Bellevue, already established, it will definitely increase

competition for both businesses, but will provide greater variety for the community, as only one big wedding reception venue in a large suburb will not suffice. The latest wedding reception venue business in Bankstown will most likely attract attention by a highly populated area, where they may like to trial the newest business and compare to existing businesses nearby. A definite competitor in the area is the very popular reception venue, The Bellevue. Establishing Amanda's Ballroom Reception close-by will definitely increase competition and tension for both businesses, but at the same time will provide greater variety for the community.

After completing a market research on ideas on Amanda's Ballroom Reception, the following statistics were shown based on ideas of the community. After concluding all findings, research shows that 72% of all customers were completely satisfied with the service of the newly established business and wouldn't definitely use the service again.

A dramatic change is evident where 22% of customers were satisfied with what the business provided, and would most likely pay for their services again. Reasons for this may be for lack of experience of the business and/or employees, as it is still new, and running at a slower pace than other experienced wedding reception venues.

Only 4% of customers supposed that they may return back to the services of the business, and only 2% of the customers said they would definitely not return. Once again, this may be the case because of lack of experience compared to other well established business. Another reason may be for the

prices, as prices start off high for the business in order for them to gain a profit and pay off expenses, and pay employees.

Marketing Strategies –

PRODUCT – A high degree of customer service is important in the service of the business to satisfy their people's needs and make them choose the business and want to return to the service. A catchy trademark and/or logo for the business is used to identify the great services associated with Amanda's Ballroom Reception that is provided to consumers, and to differentiate it from its competitors. The business provides great variety of intangible qualities to suite everyone's taste. At this stage, positioning or level of services made up by consumers is very important so the firm understands its strengths and weaknesses, and especially in comparison to its competitors. By satisfying consumers with what is promised to them, the reputation of the business is sure to expand. C: Documents and Settings\Amanda\My Documents\GlassWeddingBells536358. jpg

PRICE – Young customers preparing their wedding celebrations may not have a high amount of money saved, which is an important factor in pricing the services of the wedding reception venue to suite all incomes. Higher prices may be distributed in order to generate a form of profit, but prices must also be reasonable, where customers are WILLING to put the money value. This gives a greater incentive to provide the best possible service in order to gain consumer loyalty to get them returning to the business. As a newly established business, Amanda's Ballroom Reception should not increase their prices higher than competitors, or they will lose any potential customers!

<https://assignbuster.com/a-market-strategy-for-a-wedding-reception-venue-business/>

Through market research, demand pricing will take place in order to see how much customers are willing to spend on the different variety of services. They would have also used its greatest competitors prices as a guide to not exceed.

PROMOTION – Sustaining and maintaining great consumer awareness and trust is important for Amanda's Ballroom Reception as they only aim to provide the best service to keep their customers coming back, and creating the best possible wedding celebration for the happy couple. Sales promotion; this business offers incentives to the customers through competitions. The employees of Amanda's Ballroom Reception also spend a great amount of time on advertising through the media to gain the highest possible consumer awareness, and to get the business to look attractive and trust-worthy.

PLACE – Exclusive distribution of the service applies to this business as the services provided to customers are different to those of any other wedding reception business, as they come with innovative ideas that would make it almost impossible for potential customers to resist. Amanda's Ballroom Reception has a useful and constructive distribution channel, which can offer the opportunity to develop an advantage over its competitors. Also, the business can have negotiating power with potential customers that debates different prices for certain services, depending on the demand and supply for the different services.

Market Research –

Amanda's Ballroom Reception

Survey

Please circle

What is your gender?

Male Female

What is your age bracket?

18-25 26-34 35+

Do you think that Amanda's Ballroom Reception will be a success?

Yes No

Do you trust a newly established business to hold your wedding reception?

Yes No

Would you recommend this business to friends and family?

Yes No

Are you satisfied with what you received in relation to what you paid for?

Yes No

Will you be returning to our business services again?

Yes No

What most impressed you about our business service?

What least impressed you about our business service?

Do you have any requests/comments/ recommendations?

FINANCIAL FORECASTS

Amanda's Ballroom Reception Balance Sheet – 4/8/10

\$

Current Assets

Cash At Bank

\$15, 000

Accounts Receivable

\$80, 000

Inventory

\$120, 000

\$215, 000

Non-Current Assets

Plant/Equipment

\$1, 350, 000

Land and Building

\$500, 000

Property

\$375, 000

\$2, 225, 000

Other Non-Current Assets

Goodwill

\$200, 000

\$200, 000

TOTAL ASSETS

\$2, 640, 000

Current Liabilities

Bank Overdraft

\$141, 200

Accounts Payable

\$75, 000

\$216, 200

Non-Current Liabilities

Mortgage