

Idea for a business start up



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BUSTER**

My business idea is a domestic cleaning service which I am providing in my local area of Doncaster. My service is called pink ladies and is a business which cleans offices and houses in the local area. The cleaning services which I am going to provide are:

- Domestic cleaning around home and offices

- Spring cleaning packages

- Packages with different aspect of cleaning

- Window cleaning

- Regular and one off cleans

- Daily/ weekly/ monthly

- Ironing and washing

- Emergency cleaning

- Brass cleaning

- Moving in/moving out cleaning

- Carpet cleaning

My service will be providing trusted, trained and friendly staff.

My service is for people who do not have time to clean, older people who cannot manage to clean, offices and busy working people. I have decided to do a cleaning business as there is little competition in my local area around

the local area where I live for example Bessacarr, Cantley and Rossington. (See appendix). Due to this I thought this would be a good market as they are a lot of opportunities in my local area for business. I will use the money from my loan and the money which my grandparents have given me to set up Pink Ladies.

My aims and objectives for Pink Ladies

Aims

I am setting aims so I can try and get what I want to achieve in the long run and what I want in the long run. Pink Ladies aims are:

1½ Increase market share- in the long run I want to try and be better than my competitors by getting the market share which is getting to be the highest in the market cleaning service. This can be done by doing advertising, having cheaper prices or the same price than competitors and training staff to provide a better overall service so more customers will come to Pink Ladies which will increase the market share.

1½ Maximum profit- When Pink Ladies is provide cleaning I want to get the maximum profit I can by getting the market share I will have more customer which will create more profit so I pay off my loans etc. By getting maximum profit, Pink ladies will be seen as a success. I will do this by advertising so people know about Pink ladies. Also trying to breakeven so I am making a profit and trying to beat competitors.

I will maximum my success by making sure I monitor my competitors, make sure staff are well trained and provide a good quality service. I will get my

customer involved with regular feedback to see how Pink Ladies can be improved.

I will measure my sales by watching Pink Ladies market share and measure by profit by doing financial check ups to check my profit.

Objectives

An objective helps to set targets to achieve an aim. Pink Ladies objectives are:

½ Maximum sales- This helps me achieve my aim of getting maximum profit as the more sales the more profit I will get. I will do this by advertising Pink Ladies and making sure I provide a good quality service so people recommend Pink Ladies so I can the most sales I can.

½ To survive- it is very important that Pink Ladies survive as my business will not be successful and the money which I have put into it will have been wasted. I measure my survive with my breakeven and my cash flow forecast. I will achieve my aim of increasing market share as by achieve this is will be working my way up to the market share. I will achieve this by doing advertising and making sure that money is kept safe and recorded.

½ To breakeven- I will need to breakeven to make a profit so this is important it helps me achieve my aim of maximum profit. I will do this by checking I am breaking even and making sure that I am doing advertising so people know about Pink Ladies. I must also make sure I charge the right prices.

½ To expand to public or private limited company- By expanding it will achieve my aim of increasing market share. As by doing this I will be a bigger company which people are more likely to know about. I will do this by trying to let people know about my service Pink Ladies with advertising.

½ To not get into unlimited liability-If my business fails I will get into unlimited liability so if I can pay off my debts, I will have to use my own possession. To make sure this doesn't happen I need to make sure that I check my finance regular so I met my aim of getting maximum profit.

½ Run in a cost effective manner-By running in a cost effective manner, I will prevent waste by making sure waste is recorded and kept to a minimum with training with staff. By doing sure I will be able to make sure I do not spent any my profits on replacing waste.

My other business ideas

I decide to make two alternate business idea so I could research to see what would do better in the market.

My first alternative idea- One of my idea for a business was a nail technician who visits people housing to do people nails who like to have their nails done at home or cannot get out. After doing secondary research (see research) they was too much competition around the Doncaster idea so it would be hard to try and get the market share and hard to get customer as they may already have a nail technician they like. For example of my competitors would be Bedazzled in Balby.

My second alternative idea- My second alternative was a bouncy castle hire service for local people around Doncaster to provide events for parties and different events. After doing some secondary research I found in winter when the weather is cold it can affect sales which could affect if this business would be a success as less people have bouncy castle inside. This would mean I may not breakeven and not make much money. Materials are also very expensive to buy so it would take a lot of the money I have earning.

I chose cleaning business of Pink Ladies as it can be done all year round in any weather, materials are cheap and there is little competition around Doncaster especially near the area I live.

Primary research for Pink Ladies

Primary research is getting information about a subject which has not been collected and has not already been done.

I did a questionnaire to 50 different people within different age groups. This is what I asked them.

1) what is your gender

I asked equal amount of males and females so my results were fair as this would affect the people who I target my advertising on and the promotion I would do which would affect my marketing mix.

2) What age are you?

I asked this to find what age group were more interested in my cleaning services. This would help the promotion and find the type of people I want to

help me do my marketing mix. I mainly get results from people above 21 year old.

3) What part of Doncaster do you live in?

Most people I asked live in:

½ Bessacarr

½ Cantley

½ Bawtry

½ Tickhill

½ Sheffield

½ Rossington

½ Edentrop

½ Adwick

½ Thorne

½ Hatfield

½ Askern

With these places except Sheffield as it is too far away, it will help me decide in my marketing mix the place which I am going to target my sales and promotion on. A lot of these are locally to my base on home.

4) Do you know any other cleaning company?

I asked to find what my local competition is as this would help me watch out for them. They were:

½ Poppies

½ Diamond cleaning

½ The feather duster

½ PSS

½ Done and dusted

½ Star drops

Help me see what prices they have on secondary research so I can decide on the price I will charge and promotion I will chose to beat my competitors.

5) Would you be interested in a cleaning service in your home or office?

I asked this to see if they were any interest in the service which I was doing which related to my people in my marketing mix. Most people yes or maybe which is a positive sign as people may interest in my cleaning. It will affect my product in my marketing mix as it affect what service I provide.

6) Would you be interested in having cleaning in certain parts of the year for example Christmas time?

Out of 50 people I question 38 of them said yes or maybe, this shows some people may be interested in my cleaning service being provided at special

times. This affect the promotion I do at certain times of the year and the product I provide for this. It may mean offering special deals at special times of the year.

7) What kinds of jobs would you expect to be done around the home?

I asked this to see what customers see a cleaner doing in their home and expect them to be like so I can could the product in the best quality. People said:

½ Washing up

½ Reliable, trustworthy, good hygiene

½ Honest

½ Dusting

½ Hovering

½ Cleaning surfaces

½ Cleaning floors and hovering

½ Spring cleaning

½ General cleaning jobs

½ Ironing

By doing it will help me train my staff to be these things so customers do what they want and treat them well to create a good quality staff. This will affect my People at work and the product they receive.

8) What would be the most suitable time for cleaning to come and clean your house?

A lot of the answer to this got the same results but more for morning cleaning. From doing this it shows that some people may prefer evening and this may affect the times could I could clean and the prices I charge for doing cleaning at night. It will help me find staff hours.

9) How much would you like to pay per hour for a cleaning service?

By doing this it would help me decide on the price I will charge my customer per hour for my cleaning services. This could affect the people at work will what they get paid. I will decide my price with this and my competitors price. A lot of people would pay between £4.00-£5.00 pound but this may be too low for my costs.

10) What things influence you to a certain cleaning company?

A lot of people prices and recommendation, this means I have to make sure that I create a good quality service so people are recommended to Pink Ladies as this will help my costs and get my aim of maximum profit. The price has to be similar to my competitors so people will pay it.

11) What physical environment you expect from cleaning service?

I did this to find out what I could do to make Pink Ladies stand out from my competitors. This is what physical environment customer expect and I must train my staff to do:

½ Friendly service

½ Trustworthy

½ Welcoming

½ Good clean house

½ Quality

12) How often would you want a cleaner to come to your house?

The most common was weekly and 28 people would prefer it then. This will affect the promotion I do as I need to make I fit my regular customer in. It will also affect the price I charge them as they may want special packages for having regularly cleaning.

13) Would you be interested in special packages

A lot were interested in the special packages as it is a way of saving money. 28 people were interested in this so this may be something to consider in my package deals. This will affect packaging and the products which I provide with the deals.

From doing this questionnaire it has help me see what customer want a cleaning service so I can work my Pink Ladies business around this so I give the best service I can.

Secondary research for Pink Ladies

For my first bit of secondary research I found out by going on yell. com where my competitors are in my local area. This would help me as I found by ringing up the service which they provide and the prices they charge. This would help me decide on the services to offer my customers and the prices to charge. This will help with my marketing mix. I have found my top five competitors and have found out their prices and the service they offer. (see map in research)

Company

Service offered

prices

location

Poppies

Weekly/monthly/fortnightly cleans, one off cleans, spring cleans, carpet cleans, brass silver, emergency cleaning

£8.00 per hour

Bessacarr

PSS

Tailor made programs, window cleaning, spring cleans, packages, weekly and monthly cleans

£7. 50 per hour

61 Boughton road, Bessacarr

The feather duster

Washing and ironing, one off cleans, daily weekly, monthly

£7. 75

Thorne

Maid to clean

Weekly/monthly cleans, ironing, one off cleans

£7. 50

Town centre

Stardrops

Weekly/Daily cleans, ironing, one off cleans

£7. 50

Conisbrough

From looking at my competitors I have found that poppies is my biggest competitor as it provides the most service, it is a national company and they are two cleaners working in the area. This means I must make sure I provide the same service and more so I look better than my competitors and the price will be cheaper or the same as my competitors. I am going to try and

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provide more service than poppies. In my marketing mix it will help me decide my price and the product I will provide in my marketing mix.

I also look on poppies website to see how they persuade people to having cleaning done by them. I found that they say about the physical environment which is expected from them when cleaning which are the same which I found out from my questionnaire. I am going to make sure I promote this. (See research for website)

To look at some more secondary research I decide to go on national statistics. com to look at the population and income of people. From looking at income and wealth I found that more people are earning more money which means more people can have the luxury of a cleaner. With wealth rising and longer hours at work, it means more and more people will need cleaners in the future. This affect my price which I charge due to how much people can afford and who I promotion and advertising my cleaning to. Household income is growing.(see research)

I also looked at the population rate which is also going up which means more people in the world, more people who will want cleaning being done then pervious years. This will affect how many staff I have (people) and the amount of hours and the price I charge.

Comparing the service which are offer between Pink Ladies and it competitors

These are the service which I am offering as part of Pink Ladies:

ï¿½ Domestic cleaning around home and offices

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• Spring cleaning packages

• Packages with different aspect of cleaning

• Window cleaning

• Regular and one off cleans

• Daily/ weekly/ monthly

• Ironing and washing

• Emergency cleaning

• Brass cleaning

• Moving in/moving out cleaning

• Carpet cleaning

Poppies as my biggest competitors provide these service except:

• Ironing and washing

• Packages deals

• Cleaning around offices

• Spring cleaning packages.

Other services which my other competitors offer are the normal cleans and washing and ironing.

By providing more service it makes me stand out from my competitors as I have more choice so customers are more likely to come to me.

My Proposal for Pink Ladies

From doing my primary and secondary research I have made proposals on my service from talking to potential customers and looking at competitors.

½ My biggest competition is from poppies which are in my local area of Bessacarr. I need to make sure I do promotion within my marketing mix so people know about the service I am providing. This may go to promotion in areas such as carcroft where there are no local cleaners.

½ To make sure I am up to date with my competitors I will provide the same services and more service so I am more up to date and people come to my cleaning services. Due to the great variety in services. I must give the same physical environment which I found from my questionnaire and poppies website.

½ I need to charge the same price as my competitors so my prices are not too high and try and be the lowest price in the market as people want cheaper prices shown when asked in the questionnaire

½ I will use my questionnaire and my secondary research to make sure I decide correctly when doing my marketing mix.

Market strategy for Pink Ladies

This the strategies I will use to try and get the market share. For my market strategy to get the market share I am going to provide the service which my

competitors offer so people are more likely to Pink Ladies as more service are offered. I will offer unique package deals so I look more up to date then my competitors. Another market strategy I am using is targeting area where competitions are not base to try and get customer from there, as this is how I will build my market share by promoting in the paper and leaflets to try and get customer and build my market share. I am also going to try the cheapest price of my competitors of £7. 50 so people come to me as I am cheaper which will help build up my market share.

Marketing mix of Pink Ladies

A marketing mix is tactical components of a marketing plan. I am going to be looking at 6 parts of the marketing mix.

Price- is what I am going to charge for my service for cleaning people houses. When looking to the research I did, I found from my questionnaire that People wanted to pay between £4-5 cleaning per hour however from secondary research I found that my competitors were charging between £7. 50 and £8. 00. When also looking at the profit a would make for £4. 00- £5. 00 I would not make a profit as it is my costs. So I decide to go for the lower price that my competitors charges which is £7. 50 which is the cheapest. This will still make people come to Pink Ladies as it is the cheapest cleaning business. Packages will be charge per hour as well with two things done in the hour e. g. Carpet cleaning a room and certain cleaning.

Place- this is where the goods are sold or services are placed. From doing my questionnaire I found out where people live in area of Doncaster to give me

the place where my cleaning could be done. However in my secondary research I found where my competitors are situated so I could promote and get customer from area of Doncaster where not many cleaners are. I decide to try and get customer from carcroft, adwick, rossington and cantley. I am not buying any premises as I do not need one at the moment as they is only me to start with, I am going to use a home office at home. In the future I may need premises if Pink Ladies expand for staff breaks and for people book our cleaning. In the future I would try and situate near my local area as Bessacarr so I am near where I am hoping my customers will be around rossington from when I found out in my secondary research. I also would need to think about be near cash and carry as this would save money in petrol. If I bought a property in the future, I would get a mortgage and spent about £50, 000 on premises. This will depend on the housing and shop pricing at the time.

Packaging- packaging can be packaging on a good but I am using package as a service. This is where you include two things together for a special deal. I will use packaging when doing my package deals. I research this in the primary research by asking if people would interest in package deals, I got a good response. From my secondary research I found that not other cleaners provide package deals, which makes my service unique and stand out from my competition. The package deals I would do is for example carpet and curtain cleaning in the hour for £7. 50 but would depend on the size of curtain or room. This would mean a person doesn't has pay for cleaning but certain jobs around the house. These may be common in certain times in

the year as in my primary research a lot said they be interested in cleaning at special times at year such as Christmas.

Product-this is the service which I am providing or if could be the product which I am selling. From doing my primary research I found if people would be interested in my service or workplace where I got a good response where a lot of people said no or maybe. I also ask when jobs would be expected by a cleaner. This and my secondary research of finding out what service by competitors decide, I decide to offer more service or the same so I am at the same stage as my competitors. These are the service which I will be offering:

- Domestic cleaning around home and offices

- Spring cleaning packages

- Packages with different aspect of cleaning

- Window cleaning

- Regular and one off cleans

- Daily/ weekly/ monthly

- Ironing and washing

- Emergency cleaning

- Brass cleaning

- Moving in/moving out cleaning

- Carpet cleaning

From doing this research I can provide these service which my competitors do not provide such as cleaning packages.

Promotion-This is tools to help promote a product or service to persuade people to buy the product or service. From doing my secondary research I found that people are attractive to certain cleaning company due to with the price and recommendation. This is why I need make sure I giving the best quality service at the lowest price. I need promote my cleaning service, Pink Ladies to make sure that people know that a new service and available. I will use this using leaflet through people doors in area which I am targeting, cantley, rossington, carcroft and adwick. I am going advertise my service through the paper every week to make sure people know about my service and the service which I provide. From my secondary I found that my biggest competitor poppies using persuade about the service they provide such as trustworthy, I am going to do this in my advertising to be at the same stage as my competition. By doing special package deals instead just cleaning, this one of the promotion I will be doing where I do two jobs such as carpet cleaning and curtain cleaning for £7.50 in a hour or two instead of a person getting their house cleaned.

Physical environment- this is the physical environment which a cleaning service is given. This could be the feel of the service and an environment which a customer expects. From doing secondary research I am using my competitors' ideas of the physical environment they expect from cleaning. These are things like trust and friendly. In my primary research I also find that the customer wanted these things out of service for a physical environment from cleaning:

½ Friendly

½ Trustworthy

½ Welcoming

½ Good environment

½ Good cleaning

½ Good quality

These are things I will be using to make sure that customers feel like the environment around them is to a good standard.

People-People is the people within a business such as staff; I need to make sure that my staff provides the physical environment customers want from cleaning. This will when having staff in the future. I found this out from my primary and secondary research about what people want out of a business. For this staff will need training when I get staff in the future when I expand.

Further explanation of place- At the moment Pink Ladies will be ran from home as they is no need for a place as it is not a big enough company yet. When Pink Ladies expand I will need a place where my customer can come and book, and office work can be done from a central point. If I was to get a shop where I could run things from, I would spent ½100, 000 pounds and try and get a place in the local area where I started or in town. Town is more direct for customers for customers to get to however it depend if they is a property available at my price range. It would be connivance in the town centre as customer and staff would be able to access it easily however I

would need parking available to store company vans and cars when not being used and for staff to gain easier access. I would provide a place where customer can come and inquire, and be able to employee people to do paper work and equipment can be stored. This depends on how well Pink Ladies do as they need to expand before they do this.

SWOT analysis of Pink Ladies

A SWOT analysis is helping manage the risk of making decision and help see what a business current position is in.

Strengths

This is something that a business performs effectively and it is strong in it.

These are the strengths of Pink Ladies:

• Provides Package deals different from competitors which make Pink Ladies stand out as it is a unique selling point.

• High quality service due to the training the cleaner receive and what and how the services are provided.

• High level of customer service- customer come first

• Effective promotion within the package deals as people are attractive from doing my questionnaire.

Weaknesses

This is where a business is performing poorly and not effectively. These are the weaknesses of Pink Ladies:

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ï¿½ Restricted service sure to the expensive of equipment e. g. One carpet cleaner.

ï¿½ Low sales when the customer base is growing.

Opportunities- this is the business could take advantage of in the future.

These are the opportunities of Pink Ladies:

ï¿½ Expanding when profit is made, with more available staff to clean to make business increase market share

ï¿½ Technology development means better equipment which improve services

ï¿½ New markets as more people are working longer hours and getting more money so do not have time to clean and can afford it.

ï¿½ Product extensions when more equipment is bought.

Threats

This is a potential problem within a business in the future. Pink Ladies threats are:

ï¿½ A lot of competitors within the cleaning industry and people are setting cleaning companies all the time

ï¿½ Poppies have a high market share

ï¿½ New legislation to do with staff and materials may affect the business in the future

PEST analysis of Pink Ladies

This is where a business analysis the external macro environment, looking what might affect the business from the outside. PEST is made up of political, economic, social and technology factors.

Political factors- These are government regulation, legal issue and laws which a business such operate under. The factors which may affect Pink Ladies are:

½ Employment laws- In the future when I expand and get staff, employment laws may affect Pink Ladies as I have to consider employment laws such as minimum wage and hour people are allow to work. I need to make sure that no one id discriminated through my workplace. This could affect Pink Ladies as training will need to be done about discrimination and more money may need to pay for more staff. If the minimum wage goes up, I will lose profit as I will have to pay for wages

½ Environment regulation- As Pink Ladies using chemical within the business, I need make sure they are dispose of correctly and control. This will affect Pink Ladies as more money spending on making sure some substance are taking to dumping sites etc. this well cost money in petrol and training staff how to get rid of certain substances.

½ National insurance and Tax- When I come to end of Pink Ladies working year, I will have to pay a total amount of tax if a make a certain amount of profit. This will affect Pink Ladies as I will have to use money for taxes out of the profit I make.

Economic wealth-These are the purchasing power which could affect the business and customers. These are the affects which would affect Pink Ladies:

½ Economic wealth-This is depended on the customers and how much money they have to spent. If wages increase then more people are likely to have cleaners as they have more money to spend. However if wages go down it will mean less people will have money to hire cleaners.

½ VOT-This tax with is added on to certain which are buying. If VOT goes up then it will affect Pink Ladies stock prices as they will have to pay more and things petrol will be more. However if they go down it will mean Pink Ladies has less money to spent

Social factors-this is demographic and culture aspects. This affects the customer needs and wants which could include age distribution. Social factors could affect Pink Ladies by:

½ Population growth rate- If the birth rate is rising in the UK, this means they will be more people in the world who may want cleaning which means they would be a better demand. However if the population lower it would mean that they would be less demand for cleaning.

½ Emphasis on safety- This could be social factors which emphasis on cleaning and safety. This may cleaning may not seen as safe so it may be hard to find staff due working with chemical. This means it is important that I protect my staff from any dangers. This may more money spent on training and making sure staffs are safe.

Technology factors- this relates to technology which is available. This could affect Pink Ladies as:

ï¿½ Rate of technological change- When changes to technology occur, this may mean spending money keeping up to date with the latest technology as my competitors may provide a better service than me due to better technology. This may mean Pink Ladies spending money to keep up to date.

ï¿½ Latest technology- If Pink Ladies can afford the new technology or not, people are more likely to go to service with better technology which could cause problems with losing customers.