

Business plan of the safe tissue marketing essay



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Everybody these days look for security and sound path to diminish tiny viruses creates around us as the vast majority of us feel it because of the force and essence style that make us apprehensive and need to find clean against-bacterial latrine tissues. The Safe Tissue L. L. C is putting resources into tissues and figure mind items and concerning in regards to this issue. One of the examines in the growth and inspecting branch uncovered some substance that depending on, if it is incorporated in the tissue and let the individual uses them after latrine, it ensures clean and great fragrance after utilization in addition that it is reused and could be utilized as a part of paper industry.

A study shows that 35% of youngster's visits to doctor's facilities in Abu Dhabi were an explanation for why of microorganisms that is openly and even in private toilets, which sets back the all finances the guardians a considerable measure and make them being apprehensive and pushed.

Numerous different explanations pushed The Safe Tissue to give careful consideration for that new finding that can the obligations that don't give us an opportunity to discover the time required, that is the reason the new feature can keep the power of the tissue as needed. That has a focused sum of the substance and particular material that will stay on the skin and blur inside 10 seconds after utilized and it could be made consistent with FDA consistency prerequisites for tissues.

Mission:

“ To become the leading safe & healthy tissue producer in UAE”

Vision:

“ To provide health by healthy tissue papers “

Company Overview:

In January 2013 The Safe Tissue step into the market. The perspective of the company is to cater the locals. The company's product is frequently use and highly concern to health. The competitors of the company are mostly foreign brands. People are always conscious about health. The Safe Tissue provides healthy tissue with modern standard competing the all his competitors.

Marketing Analysis & Plan:**Market Trends:**

In market the trend is of Healthy tissue papers. People prefer healthy and safe side for theirs selves. Branded names are commonly known for their name and secondly for their standard of health maintain for the customers. There are also a lot of types of tissue in the market such as facial tissue, toilet tissue. The Safe Tissue started work with toilet range

Supply and Demand Factor:

The demand and supply are two primary components that influence the working of any plan of action. The demand is the will and capacity of purchasers to buy a specific product, while supply is the capacity of the business to accommodate the interest of customers. (Scholasticus, 2013). To copes with modern era. Demand and supply factor are critically set according to the market trend.

Purchasing Patterns:

Two factors of business as explained above influence the purchasing pattern of the customers. Price is the main factor which plays a vital role in the purchasing pattern of the customer. Hence the The Safe Tissue Company set the price accordingly to purchasing patterns of their customer.

Life patterns:

Peoples always prefer health over anything in this world. The life patterns of local affected by the highly expensive daily use product. The Safe tissue changes the life pattern of locals by providing the cheap and healthy tissue papers.

Factors influencing the target market.

Targeting the market is the important key role of business plan. There are few factors that change the target the market. (Jeff, 2007)

Geographic:

In startup market, The Safe Tissue started business in Abu Dhabi and AL ain. To capture the whole UAE is the big task but not impossible. So focus is only at these two cities.

Demographic:

Demographic means the age levels and gender. Everyone use tissue for cleaning purpose. Kids and Mature peoples are more conscious about health as compared to youngster.

Economic Factors:

Economic conditions also change the target market. UAE has come out of the recession. Now the economic conditions of the country are well and good. Stabilize and good opportunity for investment point of view. Due to change in the economic conditions of the country the purchasing pattern of the changes. Interests of buying products are reduced from the customer side.

Social Value:

Social value is also core of target market. Preference to things change by the customer as by the time passed. The Safe tissue has considered this factor more preferable.

Product Positioning:

As newly started business The Safe tissue positioned themselves in most competing brands of the market. The Safe tissue manufactures high quality and healthy tissue in the market. Thing is to position their products in the heart of the customers, for that The Safe tissue has a devised advertisement plan and marketing plan to capture the heart of the locals and expats by providing health in cheaper price.

Success factors:

Success factors of The Safe tissue are health, cheaper and loyal with customers. Providing foreign standard healthy tissue in cheaper price can be the success factor for The Safe Tissue

Barriers to entry:

It is always difficult to enter in any market. Barriers are always there. The Safe Tissue also facing a lot of barriers. Barriers from government and competitors are always meant to be remove to get success

Existing and emerging competitors:

There are a lot of existing and emerging competitors in the market. For Example Kleenex, but Kleenex providing wide range of product. Also this is the foreign company. Local's producer of toiler papers are main competitors of The Safe Tissue.

Management plan:

Initially the company total numbers of employees are 25 peoples including directors and owners. Company having 5 Directors and consist of sales, accounts and marketing managers and rest of all are labor use for production and packing of the product. After 12 months, each manager gets assistant manager under him. After 24 Months Department of Human Resource introduce and implemented increasing the employees to 50. After 36 months each head of business has its team and supervisors.

Product or Service Plan:**Sales model:**

As per demands of product of product increasing the sales revenues also increases. The following sales model shows the sales made since company establishment in January 2013 and 2014 and onwards 2015.

Table Sales Model

2014

2015

2016

Toilets Papers

AED 2, 750, 060

AED 3, 350, 567

AED 4, 670, 678

Facial Tissue papers

2, 770, 768

3, 768, 344

Total Sales Revenue

2, 750, 060

6, 121, 335

8, 439, 022

Marketing messages:

For marketing messages useful means of transferring the messages to our potential customer is used. Proper marketing research has been conducted to review the market properly

Marketing and promotions tactics:

The Safe Tissue implements the marketing mix to accomplish their valuable goals. It includes the Price

Product:

To live in this rapid market industry product should be differentiated to make the sale in the market. People want something different and valuable to them for purchasing product. The Safe tissue company has made this marketing mix by making product of high quality and according to modern standard.

Place:

Place where to sell your product is also the most important perspective of the company. Place is selected according to suppliers and market. Location of the business helps a lot in gaining more sales.

Price:

Price of the product has great influence over customers. The Safe Tissue price is reasonable and affordable by locals and middle level and low level of families. Hence this factor has the increase the market share of The Safe tissue in the market.

Promotion:

The promotion is the element of gaining the customer interest. Promotions are made according to price and market trend and customer buying behavior. Promotion creates awareness about the product and hence in results increase in sales.

Strategy:

Product Strategy:

The Safe Tissue using the product strategy. Facial tissue which is for both facial and anti-bacterial tissue wipes use. This package has increased the sales. The two-in-one strategy is giving a competitive edge over his competitors (Srivastava & Shubhra)

Packaging Strategy:

One more strategy which The Safe Tissue implemented is their packaging strategy; the single fold packing of tissue is really easy to carry in clothes. Also the health tips are also printed on the box of facial tissue pack. Also the wrapping of the plastic prevents the tissue from germs and bacteria (Abrams, 2003)

Cost Strategy:

The facial tissue packet of dual function has the valuable price. This strategy has offered the customers a golden opportunity to buy The Safe Tissue products. (Kogan, 2004)

Distribution Strategy:

Another effective strategy is distribution strategy. The location of the business is at main point where the access of the suppliers is feasible and convenient. The Safe Tissue company also have different distribution channels. (Haffor-Letchfield, 2011) Logistics management has efficiently working on this strategy

Sales force structure:

Sales force structure have significant place in business plan. There are three ways of structuring the sales forces. In house sales force means that the sales team of a company or second type of sales force structure is third party selling your product independently. Third type is sales force is middle way between pervious two strategies. The Safe tissue is using all three types but mainly their sales are depend on first type. The Safe Tissue company has competitive sale team. (A. Zoltners, Prabhakant, & E. Loriner, 2006)

Operating plan

Research & Development:

The Safe tissue company has research and development department. This department has been started in 2013 after one year of business incorporation. The benefit of R & D department is clear that sale entry of new product has increase the revenue of the company.

Plant & Equipment's:

New and branded machineries are imported from all over the world to produce the healthy tissue papers. The Safe Tissue has installed all its plants and equipment in the Free Zone area. Head office is situated in Abu Dhabi.

Logistics:

The Safe Tissue Company has its own logistics used for transporting the goods to market.

Production Plans:

Production plan is for targeting the niche in the market. They has their own staff and manufacturing unit with head office and site office.

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Operations:

The Safe Tissue has SOP's for its manufacturing and production facility as prescribed by the ISO 9001: 2008 and safety precautions are checked by the supervisors. The Safe Tissue company regulating all the legal requirements of the UAE.

The Safe tissue further acquires more plant for manufacturing and packaging process. The production plan takes months to finalize the production line.

Inventory Plan:

Business' fundamental stock might as well give a sensible collection of items and ought to be colossal enough to blanket the typical bargains mandates of your business. Depending on if you're a begin-up, you won't have real deals and stocking figures from past years to guide you, you should venture your first year's deals dependent upon your business arrangement.

Any time figuring fundamental stock, you should likewise figure in lead time- the time span between reordering and appropriating an item. For example, if your lead time is four weeks and a specific feature line pushes 10 units a week, then you should reorder when the fundamental stock level falls underneath 40 units. (Entrepreneur, 2006) Provided that you don't reorder until you really require the stock, you'll need to hold up four weeks without the item.

Inadequate stock denotes lost deals and excessive, drawn out delay purchases. Using up crude materials or parts that are essential to your handling technique denotes expanded working expenses, as well. Your representatives could be getting paid to sit around on the grounds that

there's no work for them to do; when the stock does go in, they'll be paid for working extra time to make up for lost creation time.

Avoiding Excess inventory:

The Safe tissue company avoiding excess inventory as the inventory control system is up to date on regular basis.

Information systems:

IT is the key source of every business. In this modern era where everything is happening on computers shows the importance of Information Systems. The Safe Tissue has perpetual inventory system. Technical and efficient information technology team has led the company to a huge sale and moreover the functions of the company are implemented quickly.

Milestones:

In short Term goals, the safe Tissue wanted to be known by their health care about their customer. Medium term goal is to keep trying new and innovative ideas to compete their competitors. Long terms goals are to invent new product regarding tissue and new innovation about their products. To capture the whole GCC; the safe Tissue have to increase their plants and equipment to produce more capacity.

Exit Plans:

The total assets of the company are enough to sell and clear all debts. The Safe Tissue has valuable exit plan. In case of liquidation, all the assets are sold to clear all the liabilities

Financial Plan:

Table The Safe Tissue Cash Flow Forecast

The Safe tissue Cash Flow Statement

Cash Flows

2013

2014

2015

2016

AED

AED

AED

AED

Opening Cash Balance

700, 000

RECEIPTS

Cash Received from Sales

3, 750, 060

6, 121, 335

8, 439, 022

Loan Proceeds

15, 000, 000

TOTAL RECEIPTS

15, 700, 000

3, 750, 060

6, 121, 335

8, 439, 022

DISBURSEMENTS

Machinery and equipment

13, 000, 000

Accounts Payable

0

0

0

0

Raw Materials

400, 000

0

0

0

Supplies

50, 000

50, 000

50, 000

50, 000

Utilities

80, 000

80, 000

80, 000

80, 000

Advertising & Promo

0

187, 503

306, 067

421, 951

Maintenance & Repairs

40, 000

40, 000

40, 000

Wages & Salaries

500, 000

500, 000

500, 000

Taxes

0

0

0

0

Loan Repayment

0

2, 250, 000

2, 250, 000

2, 250, 000

Professional/Legal Fees

50, 000

50, 000

50, 000

Total Disbursements

13, 530, 000

3, 157, 503

3, 276, 067

3, 391, 951

Surplus Deficit

2, 170, 000

592, 557

2, 845, 268

5, 047, 071

Notes and Assumptions:

The Owner of The Safe Tissue owned manufacturing facility

The surplus in 2013 of 2, 170, 000 Dirhams is the capital reserved for the teams and R & D department

The cash inflow starts from 2014

The loan taken is 15 million and has to pay back 4 years

The interest is 15 % at loan