

# Planning of micro start-up business



P3 – Plan marketing for a micro start-up business that is relevant to customer needs

a) Marketing definition and opportunity At East Side we understand that we cannot sell to the whole market, but by knowing the size and trends in the market we will be able to assess future opportunities and predict future sales patterns. The people who will buy from us include middle class – professional people, these individuals can be either high earners or those on a budget.

b) Proposed target marketing segments Age 20-45 years  
Sex Male/Female Occupation Professional people/middle class Income? 18,000 and above

) Demand for product The reasons for demand of our products include: The area is just developing due to the construction of the London Luton Airport. It will benefit from the boost in tourist – those self-catering tourist who will require our services and due to our strategic location consumers must shop as there are no other routes to and from the Airport.

d) Competition There are many rivals offering similar products and services, in an effort to attract customers and be different our consumers will be able to shop in spacious air conditioned comfort. \* Leaflets will also be place in the weekly newspaper. Flyers will also be distributed and interested parties can make an order through the contact details on the flyer. \* Our sales team covers every village and town. \* We are open 24/7 and do home deliveries to our customers \* Loyalty cards which offer benefits to loyal customers Also a unique feature of East side is the meat department which is the walk-in refrigerated cooler. It is an experience like no other. Customers can stroll through isles of the largest selections of bulk meats, fresh cut meats and provisions; a customer can always be assured to find their favourite cuts.

A customer can select a bulk item and have it custom cut by our experienced butcher at no additional charge. e) How success will be measured To ensure that our marketing efforts were successful, East Side will check performance in:

- \* Stock turnover – this will enable us to identify which items or services are slow to sell and which are very popular and to review the product mix effectively.
- \* Customer satisfaction – if customers are happy this in turn will generate more sales, we will review all complaints and comments and their views on our prices and other improvements they may want us to make.

Sales levels – a monthly analysis will help our business to identify patterns in sales and show when we need to take action to boost sales. \* The amount of new customers who visit the business

f) Other external influences

Government regulations All VAT (Value Added Tax) will be paid over to the Government. This can create cash flow problem for the business, because all VAT is payable on all sales, including credit sales, which means that the business has to pay over VAT before the money is actually collected from the customer.

If the business fails to pay the VAT, then eventually the Government will send authorities to insist on payments or face legal actions. Ethical Issues

Expiry Dates: All expired products will be removed from the shelves and will be disposed of according to local and international guidelines. Expired goods on the shelves can ruin the reputation of the business and drive away customers. It can also be dangerous to our health. Trends

- \* People eating healthier will affect what you stock. There has been an increase in more healthful products being marketed by the major food companies than ever before.

Pricing will be stable and somewhat boring compared to prior year

price swings. \* Private label will continue to gain market share compared to branded products. P4 – Plan a costed promotional activity for a micro start-up business that is appropriate for customer groups a) Coordinating with the rest of the marketing mix Promotion is a very important part of the marketing mix. In an effort to include the other aspects of the marketing mix to reach our target customers we will do research to identify which products target customers need and will buy.

Offering these will increase sales and profits. Offering products no one wants or which have expensive or unnecessary features will do the opposite. We have to decide on a price, this is the amount of money customers must exchange for the product or service. Price is a key element of the marketing mix as it generates income for the organization. All other elements of the mix incur costs. Therefore, the pricing decision is critical to the success of the organization. Finally, we have to decide where and how the products and services should be placed. b) Image to be developed

The image our promotional plan will reflect is that we are an environmentally friendly business providing for but not limited to the needs of middle class people. c) Costs and schedule for the campaign A cheap and effective way our business will get noticed is by advertising on our business vehicle. We are a small business therefore we will have to spend the available money wisely. We will also advertise through the local newspaper and the internet, this will be very beneficial as both methods are relatively inexpensive newspapers provide timely information and the internet can be directly involved with promotional activities.

Schedule for the campaign: The purpose of the promotional campaign is to make the public aware of the launch of our new business. This campaign will start on Monday 16th April and run for two weeks ending on the 30th April 2012. d) Types of promotional materials Not all promotional materials will attract the same customer group, this is why East Side will use different promotional methods to attract more customer groups. After studying the buying habits of our target customers and where they look for information.

It was observed that a poster attracts the attention of the travelling public, leaflets are preferred when promoting a local service and a large amount of people will look for information online. e) Nature of the promotional materials The aim of our promotional materials is to attract attention and interest. Effective colour and wording helps to reflect the image of the business, this is why we will hire professional graphic designers to help us devise a style for our business stationery and marketing materials. This will ensure they are easily recognizable and reflect the right image. ) Name of the business The names of the business will be East Side this is because no one else has this name. The name is appropriate as it is not offensive in any way and does not already exist as a recognized brand. It will also be easy for our customers to remember. g) Ideas for branding At East Side we would like to develop a brand, this would be a major asset for us because it will help people to remember our business and if we provide a good service, it will associate specific qualities such as, reliability, value for money, honesty and professional expertise.

It will also save money on marketing in the long run since customers stay loyal to a brand they know and trust. h) Website design and functionality

East Side will have some presence on the internet. This will be a quite basic site which simply summarizes what we offer and where we are. The website will be very user friendly; there is a search facility where, if customers know the name or type of product they are looking for it can be easily found. We will promote our website by placing the address on all stationery and the company vehicle. ) Reasons why the promotional materials are appropriate The promotional materials will be appropriate since our target customers group is people aged between 18 and 40, these more mature individuals are more likely to read newspapers and search online for information. j) Measuring the success of promotions The success of East Side's promotions will be measured by; the number of new enquires received by phone or email, the number of new customers who visit the business and sales levels. The cost of each promotion will also be taken into account. If the cost is high but the benefit will be small, then an alternative method will be found.