

Our concept is smart shower marketing essay

[Business](#), [Marketing](#)



Table of Contents
Executive Summary 3
Introduction 4
Product Concept 5
Feasibility Analysis 8
Product Feasibility
Financial Feasibility
Analysis
Organizational Feasibility
Industry/ Target Market Feasibility
Segmentation Targeting and Positioning 13
Segmentation
Targeting
Positioning
Marketing Mix 14
Promotion
Placement
Pricing
Product
Financial Plan 16
Five year Financial Projections
ROI
Break Even Analysis
Exit Strategy 22

Executive Summary

This project is about the introducing our new product in market by giving unique and innovative idea. Our concept is " SMART SHOWER". Now what the Smart Shower basically is that it will be a special kind of shower having many features in it. The product or idea we developed will be beneficial for the customer in every sense, it is both ecofriendly and customer friendly it will give a new smartness to your bathroom and will make your shower more desirable to you. Smart Shower is consist of temperature control thermostat for controlling water temperature, a motion sensor shower head detecting body movements, air pressure technology in head which will smoothen the flow of water and save water, LED lights in head of shower which will change its colors according to different temperatures, a touch panel screen consisting of various functions like, timer to save time, MP3 player, recorder for bathroom singers and intercom plug in option used to answer the door bell when someone is in alone in home taking bath. These all features will be in Smart Shower which is totally a new product in market, no other players in sanitary industry has never launched this type of shower before. Sanitary Industry in Pakistan is currently growing industry. People are getting aware

of new bathroom designs and many people desire to have different bathroom look by installing innovative sanitary equipment. Pakistan sanitary industry is currently at boom and it will be opportunity for us to grab the market by having competitive edge from Smart Shower. Our main competitors in Pakistan are Sonex, Faisal sanitary, Masters and Ilyas but none of them is providing this type of technology. Our Smart Shower attracts the young generation and upper class people whom prefer innovation and can afford a shower with a price of Rs80, 000. We are also targeting hotels and house constructors (like Eden villas, bahria homes, Pearl Continental, Avari Lahore etc.). According to buyer intention survey we conducted more than 90% of people are ready to accept this type of Shower to be installed in their bathrooms. To successfully run the product in market it is important to have sufficient resources. By conducting feasibility analysis in this report we concluded that we have sufficient resources for initiating new firm because we owned a shop in which 1st floor will consist of lab and a small warehouse. Our distribution channel will be to open our own retail outlet in which manager will be hired from same industry having competence, experience and knowledge related to business idea so he can handle operations of outlet effectively and brings quality in business. In case of getting finances we can contact banks for loans. All these processes will help our business to run smoothly to reach our break even easily.

Introduction

This project will tell us that how the new concept fits into market and which market we are targeting. The main objective of this business plan is to know the feasibility of our Smart Shower that whether this concept is feasible and

easy to introduce in market and if yes then what will be our strategy and how we will launch this product in market. We analyze our costs and analyze that how we going to reach the breakeven point. By looking all these aspects we will come to know our product fitness in market. Our product we are launching in market is called Smart Shower which will be having number of features in one shower. Due to today's changing environment people prefer innovation and creativity and sanitary industry is also now establishing day by day, people are getting awareness of having new designs and systems to be installed in their bathrooms. Smart Shower is providing the both features of Luxury and Economic friendly which are discussed in product concept in detail. The Smart Shower has various options to have fun in bath including, thermostat, timer, LED lights in head of shower, Air pressure technology in head of shower, mp3 and mp4 player, intercom interface and motion sensor in head. All these features are not being provided by any of our competitors in sanitary industry in Pakistan. Many new products enter market and many of them fail due to not making any future plans. So the basic objective of this project is to give a unique product or service idea which not launched yet and to know its feasibility and how this idea can be entered in market. To know our Smart Shower's fitness for market we have made this business plan.

13006754_001.jpgImages 6_0007_Vector Smart Object. jpg

Product Concept

The product we are offering is the combination of both luxury and economic friendly features which is known as SMART SHOWER. Luxury and Economic friendly are the two words that stand on opposite ends. There are many

<https://assignbuster.com/our-concept-is-smart-shower-marketing-essay/>

products which give luxury and satisfy customers but might not give advantage to society or economy and on other end there are many products which might give benefit to society but not give enough features to user. Our idea is to combine both features of Luxury and Economic friendly into our Smart Shower. It is totally a new concept in market especially in Pakistan, not a single player in sanitary industry of Pakistan is producing this type of shower. This world is moving towards innovation and creativity and young generation in today's world mostly prefer to have those products which are unique. The Smart Shower basically consists of touch panel having various functions in it. Following are the luxury and economic friendly features of Smart Shower:

Luxury Features:

Motion Sensor:

Shower head will move according to body movements. Sometimes people take bath in a specific range and they are bound to stay in a specific range to take shower but Smart Shower is giving the technology of motion sensor which can detect our body movements and shower us where ever we walk in a specific range.

Temperature Control:

Smart Shower will be having the feature of digital thermostat from which we can set water temperature. This is most important feature because people in Pakistan facing problem of mixing hot and hold water from taps. They no longer to need mix hot and cold water. Whatever the temperature is set, the water will come exactly at that temperature. Mira Digital Control. jpg

LED lights:

There will be LED lights in the head of shower which will glow full shower head and will give beautiful look to it. The color of lights will change according to the temperature set in thermostat. For example if the temperature is high red light will glow in head of shower which will show the effect of " RED HOT", If the temperature is normal yellow light will glow showing the normal temperature water and if temperature is cold the blue light will glow which will show " Blue Ice Cold" effect. 2010817112036421.jpg

Mp3 and Mp4 player with recorder:

People can listen songs or watch videos while in bathroom to have luxurious bath. There many bathroom singers, so for them we have also given the option of recording their voice to sing a song in bathroom and they can listen it after.

https://encrypted-tbn1.gstatic.com/images?q=tbn:ANd9GcTnRxprf5JZygnw1tez4vUhsTuef9RgtRytIJ3F6_eY6ePrRCleA

Intercom connection:

Intercom connection can be given to shower which will be useful when a person is alone in home taking bath, so he can't listen the door bell, to eliminate this problem a person can answer door bell from bathroom through touch panel of shower.

Economic Friendly Features:

Air Pressure Technology:

This concept is new in Pakistan and never before applied in Pakistani market.

This technology is in shower head which produce air with flow of water with which water flow becomes smooth and water is saved. The technology is simple the air will mix with the water which will reduce water demand up to 60%, lower consumption of water means energy saving without losing any fun. Picture1. jpg

Timer:

The common problem in taking shower is time wastage. Most of the people often take bath and enjoys it very long without considering time. Many gets late to schools, offices by enjoying long shower, so there is a feature of timer in it. People sets the time that for how long they wants to take bath, once the time limit is reached the shower will turn off automatically and can be restarted later. This will alert people that now they have to stop showering because of shortage of time. All these functions of luxury and economic friendly can be used and enabled or disabled by using touch panel mounted on shower. The Smart Shower will mainly be operated through electricity but we can also give it a battery backup due to load shedding situation in Pakistan.

Feasibility Analysis

Product feasibility Analysis:

In product feasibility analysis there are two things to be discussed
Product desirability
Product demand
The Product we are introducing to the customers

is innovative; no competitor in the market is giving shower with this kind of feature. So we have a great opportunity with our idea to attract our customers. The product or idea we developed will be beneficial for the customer in every sense, it is both ecofriendly and customer friendly it will give a new smartness to your bathroom and will make your shower more desirable to you. As for as the demand is concern we conducted a survey which really shows that this type of smart shower has never been introduced in Pakistani market, which is an edge for us and will create an increasing demand for our product. Customers really like the concept and are ready to pay the price of the product. The plus point of this product is it's ' features' its ' smartness' which will really increase its demand. People will defiantly like to get a product built in with bundle of feature and is ecofriendly as well.

Benefit of our product

There are lots of benefits which you will get with this smart shower, first and foremost is water wastage the air mixing technology and timer will improve your showering pleasure and reduce your water demand up to 60%, benefit of making it easier for you to move the head of a shower with your body movement through infrared sensor, you no longer have to mix hot and cold water manually just enter the temperature in the screen and it's done, don't worry if someone is on the gate and you are alone in house taking bath, you can use intercom. Smart Shower is providing other benefits also like mp3 and led lights will give extra pleasure and fun to your bath, and last but not the least is timer and thermostat which will save your time if you are in hurry. So main benefits are Reduces the wastage of water Ease for the customer Fun and pleasure Save your time

Positioning:

Our basic motive is to give customer all those features which a customer desires in bathroom. Smart Shower is the combination of both luxury and economic friendly features. We will position our product with the following theme:

" PLEASURE WITHOUT WASTAGE"

Industry/ Target Market Feasibility:

Sanitary Industry in Pakistan is currently growing industry. People are getting aware of new bathroom designs and many people desire to have different bathroom look by installing innovative sanitary equipment. Population is increasing fast in Pakistan and numbers of households are increasing in societies. Many families are transferring from rural areas to urban areas and constructing their new homes. It is an opportunity for sanitary industry to grab market. In Pakistan sanitary industry is increasing and currently at boom. We will be competing with the following competitors:

SonexFaisalMastersIllyasThese were main competitors other than these there are also many competitors competing with us directly and indirectly. None of these competitors are providing Smart Shower technology but only basic sanitary products.

Target Market:

It's obvious that middle or lower class can't afford such type of features to be in their bathroom so basically we are targeting Upper class whom prefers innovation. According to VALS model in marketing we are targeting innovators and experiencers, those people whom prefer new products and

prefer change in their life. We are also targeting hotels and house constructors (like Eden villas, bahria homes, Pearl Continental, Avari Lahore etc.). According to buyer intention survey we conducted more than 90% of people are ready to accept this type of Shower to be installed in their bathrooms.

Organizational Feasibility:

Purpose:

The main purpose of conducting organizational feasibility is to determine firm abilities and capabilities their level of competence management skills, technological skills and their non-financial resources in successfully launching a business idea as a new venture. There are two main points on which Organizational Feasibility is focused on are as followed:-

Management Prowess

Resource sufficiency

Management Prowess:

To start our business we will be opening our own retail showroom. New venture will start with the team of five management people working in an outlet who will be the initiators of this new business idea of smart shower. First there will be team of two engineers working in lab on the first floor of the outlet and they will be from mechanical and electrical engineering department. Then there will be one Manager and under him there will be operational staff includes Sales person, installation team and an office boy.

Resource sufficiency:

This is the analysis used to evaluate that whether an entrepreneur has enough resources to start a business. In our case yes we have sufficient resources for initiating new firm because we owned a shop in which 1st floor will consist of lab and a small warehouse. Manager will be hired from same industry having competence, experience and knowledge related to business idea so he can handle operations of outlet effectively and brings quality in business. In case of getting finances we can contact banks for loans. These processes will help our business to run smoothly.

Financial Feasibility Analysis:**Product cost****Units****Cost Per unit****Total cost**

Body and head	115000	15000	Infrared sensor and
motor	13000	3000	Thermostat with tank
Mic	13000	3000	Air power technology
lights	1200	200	Timer
	1500	500	Touch screen panel
	16000	6000	total product cost

54700**operational cost**

salaries	120000
utility bills	15000
Rent	7000

142000 per month

Furniture and fixtures

Computers 215000 30000 office furniture sets 150000 50000 lighting set 110000 10000 Banners 22500 5000 Lab equipment's 30000 Others 20000

145000

Other Expenses

Display sample of 3 products 354700 164100 advertising and marketing expense 90000 Internet website 1800

255900

Business first Year Cost

Project Cost

Units

Cost in rupees/ PKR per unit

Total cost

Capital cost Display product cost 354700 164100 Furniture and Fixture 145000

Total capital cost

309100

operating cost Salaries 120000 Rent 7000 utility bills 15000

Total operating cost

142000

Total Project Cost

451100

Break even Analysis

fixed cost

operating cost 142000 per month Furniture, fixture & other expense 400900

variable cost

54700

selling price

80000

first month break even analysis

22 units

first year break even analysis

84 units

Segmentation Targeting and Positioning

<http://www.consumerpsychologist.com/images/cb/STP.png>

Segmentation

As market is too large to target so we have done demographic and psychographic segmentation on the basis social class, income and life style (interest and opinions).

Targeting

We are using differentiated marketing technique so we are targeting Upper class whom prefer innovation because according to the price of shower, this segment is most profitable segment for us. According to VALS model in marketing we are targeting innovators and experiencers, those people whom prefer new products and prefer change in their life. We are also targeting hotels and house constructors (like Eden villas, bahria homes, Pearl Continental, Avari Lahore etc.).

Positioning

We are positioning our product on the basis of its unique attributes. Our basic motive is to give customer all those features which a customer desires in bathroom. Smart Shower is the combination of both luxury and economic friendly features. We will make the image of product in customer's mind that this is for joyful, fun loving and young blood people whom prefer innovation and creativity and they can enjoy without having water wastage. We will position our product with the following theme:

" PLEASURE WITHOUT WASTAGE"

Marketing Mix

Designing the right marketing mix the most creative & challenging step in marketing, the marketing mix is the specific collection of actions & associated instruments employed by an organization to stimulate acceptance of its ideas, products & services.

Product

Our idea is to combine both features of Luxury and Economic friendly into one Shower and attract both type of customers whom like luxury or whom like societal benefits. It is totally a new concept in market especially in Pakistan, not a single player in sanitary industry of Pakistan is producing this type of shower. All the features of it are mentioned above including thermostat, timer, LED lights, motion sensor etc. We are targeting end consumers and also organizations like Avari, PC to install this in their suite rooms, apart from it we are also targeting house building contractors like Bahria Homes etc. The main focus of smart shower is to give customers pleasure without harming or wasting resources.

Pricing

The price of an item is clearly an important determinant of the value of sales made. In theory, price is really determined by the discovery of what customers perceive is the value of the item on sale. Researching consumers' opinions about pricing is important as it indicates how they value what they are looking for as well as what they want to pay. As for Smart Shower, the price strategy that will be undertaken should consider the following aspects:

Consumer demand

The product lifecycle

Potential substitutes

Customer demand is a crucial factor which is driven by income and availability of others similar products at a different price. For a lot of consumers, value and price are highly related, " the higher the price, the

higher the value". After considering every cost and expenses the sale price of smart shower will be around Rs. 80, 000. So basically our pricing strategy is skimming based pricing in which you enter the market with high price

Placement

The product is for households, hotels and will be sold at our own retail outlet which will be in Model Town C-Block Bank Square Market.

Promotion

Shop front: We plan to have an exciting, informative, and actively managed display window, there will be a video and sample display showing features and working of shower in a very attractive way. Internet Web site: This is fast becoming a major promotional channel and we believe it will increase in importance over time. Also, it is the most convenient way for us to have a global presence at the outset. The product will also be promoted using: T. V ads, City Billboards

Financial Plan:

Sales

Year 1 Year 2 Year 3 Year 4 Year 5 Sales in units 9085110125130

Five Year financial Projections

Year 1 Year 2 Year 3 Year 4 Year

5 Sales 7200000 6800000 8800000 10000000 10400000 Cost of good sold 4923000 4649500 6017000 6837500 7111000

Gross profit

2277000 2150500 2783000 3162500 3289000

Expenses

Display Sample of 3 Product 164100 advertising and marketing
 expense 90000 90000 120000 120000 120000 Furniture and
 fixture 145000 salaries
 expense 1440000 1440000 1440000 1440000 1440000 rent 84000 84000 84000 8
 4000 84000 utility bills 180000 180000 180000 180000 180000 Internet
 website 1800 1800 1800 1800 1800

total expenses

2104900 1795800 1825800 1825800 1825800

Net operating income before Tax

172100 354700 957200 1336700 1463200 Tax
 (35%) 60235 124145 335020 46784 5512 120

Net income after Tax

111865 23055 5622 18086 8855 9510 80

Break up Cost**Product cost****Total cost**

Body and head 15000 Infrared sensor and motor 3000 Thermostat with
 tank 21000 Mp3 player, Mic 3000 Air power technology 6000 Led
 lights 200 Timer 500 Touch screen panel 6000 total product cost 54700

operational cost

salaries 120000 utility bills 15000 Rent 7000

142000 per month

Furniture, fixtures

Computers 30000 office furniture sets 50000 lighting set 10000 Banners 5000 Lab
equipment's 30000 Others 20000

145000

Other Expenses

advertising and marketing expense 90000 Internet website 1800 Display
sample of 3 products 164100

255900

Total Investment

Year 1

Year 2

Year 3

Year 4

Year 5

70279006445300784280086633008936800

ROI(Return on Investment)

Year 1 Year 2 Year 3 Year 4 Year 5

Investment

70279006445300784280086633008936800

Net income

111865230555622180868855951080

ROI

1. 593. 577. 910. 010. 6

Break even Analysis

fixed cost

operating cost 142000 per month
Furniture, fixture & other expense 400900

variable cost

54700

selling price

80000

first month break even analysis

22 units

first year break even analysis

84 units

Balance Sheet

Year 1

Year 2

Year 3

Year 4

Year 5

Assets:

Current Assets:

Cash 7200000680000088000001000000010400000 Inventory 492300046495
 00601700068375007111000 Other current assets Total Current Assets:
 1212300011449500148170001683750017511000 Long Term Assets:
 sample products 164100164100164100164100164100 Furniture &
 Fixture 145000145000145000145000145000 Total Long Term
 Assets 309100309100309100309100309100

Total Assets

12432100

11758600

15126100

17146600

17820100

Liabilities and Capital:

Current Liabilities:

Accounts Payable 70279006445300784280086633008936800 Tax
 payable 60235124145335020467845512120 Long Term Liabilities:

Total Liabilities

7088135

6569445

8177820

9131145

9448920

Owners equity

OI52321004960400632790071484007421900R.

E111865230555622180868855951080

Owners equity

5343965

5190955

6950080

8017255

8372980

Total Liabilities and equity

12432100

11758600

15126100

17146600

17820100

Cash Flow Statement

Year 1

Year 2

Year 3

Year 4

Year 5

Cash flow from operating activities

Cash received from

customers7200000680000088000001000000010400000Cash paid to

employees14400001440000144000014400001440000Cash paid to

suppliers49230004649500601700068375007111000

837000

710500

1343000

1722500

1849000

Rent paid8400084000840008400084000Bills

paid180000180000180000180000180000tax

paid60235124145335020467845512120

Net cash flow From operating activities

5127653223557439809906551072880

Cash Flow from investing activities

Sample Products164100Furniture and fixture145000

Net Cash flow from investing Activities

-309100

Cash flow from financing activities

Proceeds from capital53439655190955695008080172558372980

Net cash flow from financing activities**5343965****5190955****6950080****8017255****8372980**

Net increase/decrease in

cash54558305423310757406088879109325860cash at the

beginning52321004960400632790071484007421900

cash at the end**10687930****10383710****13901960****16036310****16747760****Exit strategy**

If the proposed plan is not successful the owners will implement necessary measures to exit the business endeavor with minimal damage to the owners and investors. All equipment and merchandise will be sold to cover any outstanding debts. Any remaining debt will be paid by the owners in the form of monthly payments until all debts are paid in full. The success of the business will be monitored monthly in the first year and quarterly in subsequent years. The owners are aware that it usually takes new

businesses three years to start turning a profit and that the business could operate at a loss during that time. The owners will keep this in mind when evaluating the state of the business, and make adjustments when possible to keep the business running with a positive cash flow. Acceptable loss has been determined; if the business exceeds this amount and is unable to compensate the owners, we will begin the process of closing the business and paying back debt.