

# Hobby store business plan essay sample

[Business](#), [Management](#)



## Executive Summary

The purpose of this business plan is to raise enough money to open and run a hobby shop that will specialize in r/c products, particularly r/c cars. The store will run a dirt race track next to the building that customers can use for a fee and enjoy the hobby. The store will be close by if they were to need a part or assistance with their r/c car. The market in hobby toys is growing and this shop would stock products that all ages and genders would enjoy.

## General Company Description

R/C Hobby's mission is to become the recognized leader in its targeted market for having an expansive inventory of hobby shop products. The goal of R/C Hobby is to grow into a stable and well established business that dominates the hobby store market in its area and to make a sizable profit that grows with each New Year. R/C Hobby finds importance in customer satisfaction and staying organized as a business. It will always work hard to stay ahead of the competition and to please customers better than all else. The business will market its products to men and women of all ages. The hobby industry is always growing and R/C Hobby can stay ahead of the curve. The technology and technicality of the R/C products being designed and sold today is constantly growing and becoming better, so the market is also going to continue to grow. R/C Hobby can stay ahead of the competition and dominate market in a few different ways. Our strengths which include cleanliness, good customer satisfaction skills, organization, and a wide variety of products that can appeal to people of all age groups and both genders. R/C Hobby plans to have an outdoor r/c car race track that will help bring in customers that will stay loyal and continue to come back each week

to race and spend money. An indoor track may also be possible if the building space permits it.

#### IV. Products and Services

R/C Hobby will provide great products and services to its customers. The store will specialize in performance r/c cars and trucks, but it will also have boats, planes, rockets, assorted models, and a help desk that will offer semi free services fixing customer r/c vehicles. A major service that will put R/C Hobby ahead of the competition will be its dirt track that can be built next to the building. The dirt track will be able to be used for racing r/c cars and trucks in organized events that will bring customers together at the store where they can race their cars and spend money if they break. The organized races will be held weekly to keep loyal customers coming back while providing plenty of opportunities for new people to come to the track and be introduced to the store. The staff of the store will run these events and will be very friendly and personable with everyone so they will feel good about where they spend money on their hobby. Prices will vary from lower end r/c cars to top of the line performance r/c cars, boats, and planes. The races will also generate income by charging a small fee to enter each race, but will also reward winners with gift cards, discounts, and store prizes.

#### Marketing Plan

\* The size of the hobby store market is very large and always growing \* The current growing trends in the market would mainly be electric and gas powered r/c cars, boats and planes, but mainly cars, which the store will specialize in \* The potential for this business is very great but only if it can

stand out from the competition around it. \* Some barriers the business will face are high initial costs to stock the entire store and build a race track for organized events, shipping costs to ship all of the product from the manufacturer to the store. \* These barriers could be overcome by striking deals with manufacturers for buy products in bulk for lower prices and lower shipping prices. Customers

The customers the store wants to attract range from young children to older adults. The store will stock something for all age groups for males and females, but the main target customer would most likely be young to middle-aged male adults that are interested in racing r/c cars and trucks on a weekly basis at the track the shop will provide. These customers will keep coming back and stay interested in what the hobby shop is going to focus on, which is r/c cars and trucks of all scales. The location of the store is a fine place for attracting this target customer and people from all around to use the dirt track that will be built, because few other stores will have one. The store will also stock products in all different price ranges in attempt to allow people of all income levels to enjoy the hobby. Certain products will be eligible for payment plans as well.

### Competition

The main competition that R/C Hobby will have to deal with won't be other stores in the area, but online websites that can sell name brand products at low prices. With that said other local shops in the PA area will also be serious competition for R/C Hobby. To counteract the competition things like sales and special holiday deals will be held at the store along with the organized

track events that will attract many people and bring in a lot of money. To market the hobby shop, many different techniques will be used. The shop will be up to date with social networking and have a website allowing customers to find us online and see upcoming events and announcements. The store will also rely on existing customers to spread the word about the shop and its products/services. Commercials can also be made that will air on local TV and to audiences around neighboring hobby shops. The image that will be projected will be one of confidence and wisdom of the business and product and a friendly desire to help and attract new business. The budget for the marketing tools listed above will be high enough to get the right message out and attract new business but not too high that it will cost enough money to effect the other parts of the company. Prices

The prices at R/C Hobby will be fair and honest but not necessarily the lowest of all the hobby shops in the area. This shop believes that with the right attitude towards customers and the right marketing and business plan, it doesn't need to have the lowest prices. It will also be very difficult to sell products and low prices when first opening the business because of the high initial startup cost. The prices will closely compete with competitors prices.

## VI. Operational Plan

The daily operation of business will include cleaning the store and organizing its stock, helping customers at help desks and fixing r/c vehicles, keeping up and organizing race events, and doing any and all tasks that would face a hobby shop business owner. The products sold will come in bulk from the factories they are made in and shipped to the store for a negotiated shipping

rate. Manufacturers will keep the shop up to date with the latest developing r/c toys and constantly supply the hobby shop with new stock.

The location of the store needs to have lot space for a parking lot and a somewhat large dirt race track. It shouldn't be in an area that's heavily populated or that has a lot of traffic around it. The cost to build the dirt track will be negotiated with the contractor that can build a race track and stands at the best price.

The number of employees that will work for the shop will depend on its size and the amount of business it gets. There will have to be somebody to operate the register, help customers, keep up with the track and cleanliness of the entire lot, and somebody to lead them all. Every person working there no matter what the position will also need to be very experienced with r/c cars, boats, planes, and all the other products that will be sold.

Inventory for the shop will always be up to date and accounted for. The initial amount of money needed to stock the store will be approximately twenty five thousand dollars. After that the amount of money spent and product bought will depend on the business the store receives.

VII. Management and Organization The owner of the store will manage the shop on a day to day basis. At least 4 other employees will always be there with him at all times to help with any and all daily tasks. No person has any set position, everyone works the cash register, cleans, repairs, helps customers, ext. when the owner is not at the store a general manager will fill in to keep things running. The total amount of employees will be kept small

because the business will be kept relatively small. The owner will take care of things like insurance, management, accountants, and bankers.

VIII. Personal Financial Statement The total amount of money the store will be worth depends on how well business does and how successful the community events it organizes are. It will also depend on things like how much money is spent on advertising and how successful it is. If the business is very successful it make be sold to a new owner for a multiple profit.