

Business plan of curves fitness commerce essay



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The main objectives of the operations of Curves' Fitness which provide its backbone for operation include: providing a wellness program or strategies which they will offer to various businesses situated and operating in London; to create working relationship with five companies in a span of one year; and to expand their operations to England by the end of their second year. As the objectives illustrate, the company is geared towards expanding the reach of their businesses first towards their main location with the hope that the future will allow the business to be as well practiced in England.

FACTORS AFFECTING SUCCESS

In the course of operations of Curves' Fitness, it is also very important to put into consideration that will put the business into the pedestal of success. One of the keys which will be influential to success would be marketing services to individuals and companies. It is acknowledged by the company that these set of strategies will be an invaluable asset to the business which will provide its edge against competition. Another factor which is expected to contribute to the success of the business is the recruitment of experienced managerial talent. This move will ensure the business that the organization is going to be managed by individuals who are equipped with the necessary skills and knowledge to run the kind of business. Dedication and hard work of the founders will be another key to a successful performance as the founding team acknowledges the fact that it is them who will be the foundation of the business and it is them who will make the business move. The last factor which will be key to the success of the business is the lowering of over-all costs. The business is looking for economies of scale so that they will incur lower costs in their operations to generate greater profit.

MARKETING STRATEGIES

The marketing strategies of the business include its practices and measures which are executed towards the dimensions of people, product, place, and promotion which forms part of the company's marketing strategies. The business should properly manage their marketing mix in order to come up with strategic formulations which will bring the organization into success.

The company puts too much emphasis in the importance of their employees as they are regarded to be the reasons behind better and effective provision of the organization's basic services. The fitness service provided by the organization is geared towards serving markets which fall under the category of small to medium sized businesses which they assume would be made possible through an establishment of an enduring or lasting relationship with their client database.

The main operation of the business will be based on London and in the succeeding years, it will cover the rest of the remaining parts of England given the success in its performance. In the entire England, 46% of men and 32% of women are overweight, and out of which 17% of men and 21% of women are situated in London. This number is good enough to realize the potential of a fitness business whose market is not segmented because the target market includes all potential businesses. Particular market segments of the business include corporate employees, manufacturing employees, industry employees, and others.

To establish a brand that is premium in terms of personality and market appearance, the management of the business decided to utilize a pricing

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strategy which in which the prices of the company's basic services are comparable to the prices of the higher end fitness centers. There will be a 100 pounds monthly fee for the employees who decide to avail of the corporate employee program of the fitness center while on the other hand the employer will pay an annual fee of 150 pounds per employee regardless on whether or not the employee has availed of their fitness services. This will be used to maintain the company's equipment and to continue to provide better service to the public who patronizes their fitness center.

To be bale to make the public aware on the existence of Curves Fitness, it is regarded that they need to have a well evaluated and a successful promotional strategy in which they can advertise their products and increase the awareness of their target market regarding the existence of their business. The company will establish advertisements targeted towards their market which will be a tri-media promotional campaign appearing on televisions, radios, and newspapers. Brochures and flyers will also be distributed to provide an awareness campaign and client education.

Although the company realizes the effectiveness of these media, advertisements will only be done at a minimum to incur minimal costs. The company also believes in the power of word of mouth as a successful promotional tool, and this technique will be the focus of the organization's promotional campaign.

ORGANIZATION STRUCTURE

A carefully designed and well-evaluated organizational structure should be designed by the company's management so that there will be proper

hierarchy in terms of authority and distribution of organizational power. The organizational structure matrix will also provide an illustration of the flow of decision making activities and will determine the levels or position in the entire organization.

The organizational structure of Curves Fitness holds that the Chief Executive Officer is at the top of the organization. This goes to show that it is the Chief Executive Officer who is vested with the organizational powers and has the highest authority and decision making capacity in the entire organization. The Chief Executive Officer is followed by the Director of Finance and Administration, Director of Health and Wellness Programs, and Director of Sales and Marketing. These three directors hold equal positions and are also equal in terms of authority and powers in decision making activities. They report directly to the Chief Executive Officer. The Finance and Accounting Department is held under the supervision of the Director for Finance and Administration; the Director for Health and Wellness Programs directly handles the Program Director and the Health and Fitness Specialist; and the Director for Sales and Marketing Director directly handles the Personnel Manager. These people who were mentioned report directly to the respective directors of their departments but not to the Chief Executive Officer. Lastly, the bottom of the organizational chart is composed of the aFitness Centre Manager and three attendees. These employees are the ones at the bottom of the organization and are the one with the least powers in terms of authority and decision making activities which concern the management of the business.

FINANCIAL RESOURCES

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Establishing your own business is never an easy task to handle. Given the complexities of the current economic condition and the global financial crisis, capital requirements are often one of the most complicated dimensions for businesses which are just starting. The source of the capital requirements are often too hard to obtain. In the case of Curves' Fitness, the total amount which will be initially needed for operation would most probably be at an estimated 300, 000 pounds. This amount is expected to cover all the initial and incidental expenses which will be incurred as the business is built and on the first few months of its operation. On this capital requirement, 200, 000 pounds will be self-funded, that is from the personal fund of the owner. Moreover, the remaining 100, 000 will be made possible through a bank loan which is expected to help the owner handle the necessary financial expenses which will be required for the operation. Approximately about 140, 000 pounds of the initial capital requirement will be allocated for the leasehold improvements which will be very critical for the location of the fitness center. Furthermore, 75, 000 pounds will be distributed and allocated in the purchase of gym equipments and other facilities needed to be able to provide the service which the business intends to provide the public. The remaining fraction from the capital requirement will be used to pay for the initial rent and pay roll in a span of the first six months of the business. The first few months of operation is very crucial for the company that is why it is very important for the business to have a stable capital requirement to fund for the operational expenses for up to at least the first six months.

FINANCIAL ANALYSIS

The management anticipates that the first three years of the operation of Curves' Fitness will show a progressive financial performance which will be characterized with gradual growth of net profit. The first year might note small profit because the business is still paying much for its capital requirement and there are many incidental expenses which need to be covered since the business is just starting with its operations. For the first three years of operation, the sales which will be generated from the provision of the general services is expected to be also progressive starting at 539, 075 pounds on its first year and is expected to grow to 825, 600 on its third year. Moreover, the total operating expenses will remain the same for the first two years which is valued at 300, 600 pounds for the first two years and on the third year the operating expenses will be lowered to 246, 600 pounds. The operating expenses are expected to be lower on the third year because the necessary expenses have already been paid on the first two years. The net profit of the company is also expected to grow on a three year basis. For the first year, the net profit is expected to be valued at 146, 270 pounds, 223, 238 pounds on its second year, and 387, 375 on its third year of operations.

TIMELINE

To be able to be assured of timely operations, the business will follow an established timeline which will provide a guideline for the business operation. The very first task which the business will emphasize is confirming its vision, mission, and objectives which might actually take a while before being finalized. The next activity will be market research which will provide the opportunity to explore activities which will generate profit. Pro-financial

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accounting and analysis will also be done to be able to adhere to the company's financial requirements and to project its financial performance in the years to come. The business environment will also be analyzed and there will also be determining of strategies and business control which will provide the business with a framework for operation. The last task is the documentation and presentation which will embody the general background of the business.

CONCLUSION

The success of Curves' Fitness is almost a clear vision in the United Kingdom market. It has been acknowledged that the country is suffering a health care crisis which is threatening to the productivity of the labor force. Furthermore, there are also changes with regards to demographics. Combined together, these factors will be the foundation of the success of the business as such give Curves' Fitness a great potential in the United Kingdom fitness industry.