

Business methods

[Business](#)



Kuldip only really uses one business method- cash flow forecasts, which can be seen in appendix D. However, he does not do cash flow like many others do. Normally with cash flows you would do it over a certain period of time (e. g. 6 months) and have an opening and closing balance. Kuldip does not do it this way. He does a monthly cash flow to keep track of the income and expenditure for the given month and he does not have an opening and closing balance. After 6 months of trading he gathers the six cash flows and manually sees the cash flow over the period. He puts an opening and closing balance then. As you can see from the cash flow, it is fairly straightforward with only the income and expenditure.

He does not do break even analysis at the moment but he intends to do so soon. The reason is that demand is constantly varying and as a result expenditure rises and falls. When I asked Mr Kuldip about the future prospects of using business methods he replied by saying " Once we have expanded I will need to keep a close eye on a number of things. So I will end up doing cash flow forecasting for the future and break even analysis".

Overall, Kuldip only uses monthly cash flows but in the future he intends to make the cash flow more complex by trying to predict future trends. Also, he intends to do break even analysis on each of his products.

This graph shows that, from sample of customers, all of them have some sort of satisfaction with the goods supplied by MQL. There was not one person that said that they were unsatisfied. However, MQL should try and get more people 'very satisfied' because if they let standards slip then that will leave many people 'unsatisfied'. On the whole this graph shows some good reading for MQL. In the future they must try and improve this further and further. If

this graph shows a good reflection of all customers then the future looks good. The reason for this is because satisfaction of goods leads to brand loyalty and pretty soon MQL will have a lot of loyalty through its customers.

This graph also shows good reading for MQL because the delivery service seems to be doing alright. There is a high percentage of people who say that goods get delivered on time in most cases but this may be due to distance. For example, MQL has a few customers that are situated on the other side of Birmingham (near the airport). As a result, it is hard to get delivery times dead on perfect. On the good side at least these people are not complaining because if MQL expands then it would be difficult to deliver everything on time. Hence 'in most cases' is a good substitute.

This graph shows amazing results for Kuldip as every single person in the survey said that MQL was such a good supplier that they would definitely recommend them to others. Customers genuinely believe this because I told all the people I surveyed that they will remain anonymous- this means that they can be honest and not fear about people knowing what they said. Hence this graph shows that the level that MQL is operating at is so high that they can look for a very successful future.

This graph is not very conclusive as to whether customers think MQL should expand or not because although approximately 64% of people think that they should expand, 36% of people have doubts. If I had just asked 'Do you think they should expand?' I would have expected virtually everyone to say yes. However, I deliberately said '... bearing in mind increased competition

etc.?' Due to that, people started thinking about the implications of expansion. I believe that the results mean that the decision should be well thought through by Kuldip. This question was asked for Kuldip to see whether or not customers think he should expand. It is now up to him.

This graph is a brilliant indication that the future of MQL is very bright. You can tell that MQL has a lot of loyalty from its customers and that would be increasing in the future. Everyone in the sample of customers said that if the service remained the same they would stay with MQL- remember, Kuldip wants to make the service better and better so these people and others will be customers of MQL for many years to come. These customers will act as marketing weapons for MQL in the future as they will advertise for them for free through word of mouth. Overall the future is looking good for MQL and it seems the business is heading in the right direction.