

# Cupcake business

Business



I conducted extensive market research and I have considered this project, because I found in my survey that having a cup cake shop is a lucrative business. The shop will specialise only in cupcakes. I have my own unique recipes. This is one of the things which is my strength. Not many people have their own unique recipes. To enable my business to prosper I have the notion of implementing special offers, which introduces the business to the customer. I am lucky enough to have found a good chef which works alongside me to create new flavours. The decisions about the recipes are made by me and the chef, but I have the final word. The structure of the business will be as a Sole Trader. This is the fastest and easiest way of setting up a new business. This type of structure could be danger, because I am responsible with my property.

### Location

Finding right location is a main key to maintaining a successful business. The ideal location is the centre of town. There are a lot of people passing by. The research I have done shows me that, there aren't any similar shops within a radius of 10 miles. Opposite the shop is the town's main bus station, where people can have cupcakes while they are waiting for the bus. My research shows, that there is Primary school and Secondary school right behind the shop. The parents which collect their children pass by the shop. They can also take a good look at what we are offering by looking at the big window display. The smell of freshly made cupcakes will be one of the things, which the children can catch early in the morning.

### Finance

To start up the cupcake business you will need approximately £40, 000. I have £10, 000 capital, but I will need a loan from the bank for the additional £30, 000. The research I have done and the special advice I have been given says, that I am not entitled to get a personal loan more than £20, 000. But because of the structure of my business as a sole trader I have an option of getting the full amount of £30, 000. I have a good tailored business plan which has enabled me to obtain the business loan I need. I will be responsible with my own property and this will secure the loan. The loan which will suit me is with a fixed interest rate and equal monthly instalments.

#### Internal information

All organisations generate a substantial amount of information relating to their operation. This internal information is vital to the successful management of the organisation. The information may be available from a number of sources within the organisation, for example: Marketing and sales information on performance, revenues, markets shares, distribution channels. Sales figures and sales research are very reliable sources of information, because the consumer tells you what they want. Production and operational information on assets, quality, standards.

This information will help me to reinvent products to help them sell better. Financial information all on profits, costs, margins, cash, flows, investments. The information about the profits will show me in what direction my business is going in and where I can improve my financial position. Internal documentation such as order forms, invoices, credit notes, procedural manuals. The internal documents are important part of doing an audit. The results of doing an audit also relates to finances.

<https://assignbuster.com/cupcake-business/>

## External information

An external source of information is concerned with what is happening beyond the boundaries of the organisation. This covers any documentation relating to a subject area produced as a summary or detailed report by an agency external to an organisation. Such information may be obtainable from government agencies or private information providers. Examples might include: Telephone directories – this could be used to check for existing companies that are similar. Judgments on court cases – helps to prevent a mistakes made by someone else.

Legislation –FoodHygiene Certificate, Healthand Safety Certificate, Fire Safety Certificate. Professional publications – helps to find the right way of running a successful business. Financial services – banks, accountants, solicitors, lawyers. The internet – in today`s days the people use internet most of the time. Social mediasites are very popular and are also used as a place where you can advertise your business and generate customers.

## Summary

My business would run at a profit if I attract my customers with special offers. This will include discounts for kids and elderly. Regular customers will also be entitled to get a discount for theirloyalty. There will be various levels of discounts for corporate clients, depending on how much they order. Low prices and good quality will help me to generate a lot of customers. One of the foundations for starting up a new business is my unique recipes. They are designed by me, but the chef who is going to work with me helps me to

prepare them. The recipes are a combination of unusual flavours and designs.

This will also help me to attract new customers. The environment which I provide to the customers must be nice, clean and friendly. When people are in my cupcakes shop, I want them to feel relaxed and comfortable. The staff that I employ will be trained in customer service. They will be polite and respectful. Often team-building is helpful for developing a good relationship between the staff. They also can come up with new ideas, which can be discussed and put into action. I have a good location which is near a bus station, schools and few office buildings. The research I have done shows me that throughout the day nearly 3000 people passing by the shop. The location is ideal for this type of business. To improve my business in future I will make plans for expansion following the above steps. Opening a chain is a good improvement.