
Business Plan: The Supply Shop Project

The Supply Shop

About us

The supply shop is a sole proprietor providing the general supplies in Lahore city. The enterprise is helping the nation by providing the supplies and saving the time and money of offices.

Executive Summary

Our business plan is to provide general supplies like (stationary, kitchen grocery, logo cups and pen, shields etc.) to our valuable clients. Our services will provide ease of delivery on time. Many of the people in offices do not have much time to visit the market to buy the daily use products of office. The trend of outsourcing is increasing rapidly here. People do not want to waste their time and money to search markets. They prefer to shift their burden by outsourcing and use their time in other matters.

What our clients can get from our services.

1st Time is the main key of success so people will chose our services because we provide the facility to meet the daily routine products on door step.

2nd factor of success is the minimize expenditure. We will provide the products at low cost.

This business requires proper market trends and market search. In this business, there is no need of raw material, machinery and other manufacturing material. There is less chance to face unfavorable conditions because this business is not involved in manufacturing and processing. We will in touch with the main importer of these products to get the economical price.

Supply shop make segmentation of the market in three categories. The first is corporations, from where we can get almost 50% of potential customers. The second is government agencies from where the 25% possible customers. The last category is assorted customers.

In the initial stage, we will establish a link with the main importer and dealers of these products. We will advertise our company by the mean of social media Facebook, Instagram, Linkedin and Pinterest. As these are less expensive and effective means. When our service captures the target market, we will then plan for the extension of the business, either by expanding the area of servicing or by increasing the types of services.

supply shop will offer a complete range of general supplies, place on your doorstep any supply needs. Supply shop will offer an unprecedented level of customer attention. It recognizes that shopping must be a trouble-free, pleasant experience and make long-term relationships with customers.

The supply shop will be lead by Azeem Saleem. Azeem receive his undergraduate degree from Punjab University and worked as a manager of account and business development in well-known companies. Azeem receives his MBA degree from Hailey College of Banking and finance.

Company Summary

Start-up Summary

The supply shop will incur the start-up expenses stated below:

- Office desk sets with chairs
- Central file server,
- one laser printer, and Internet connection
- other office furniture
- Phone system

Start-up funds will be supported through equity investment, in addition, company will obtain a 200,000 loan to assist in the purchase of start-up inventory.

Startup requirement

Start-up Expenses

- Legal R.s 5,000
- Stationery etc. R.s 1,000
- Brochures R.s 500
- Research and Development R.s 5,000
- Other
- Total Startup Expenses R.s 30,000
- R.s 41,500

Start-up Assets

- Cash Required R.s 100,000
- Other Current Assets
- Total Assests
- Total Requirment R.s 3,500
- R.s 135,000
- R.s 171,000

Products

Supply shop offers a wide range of office supplies, sustainable products, or substitute toxic chemicals with non-toxic substitutes. Products include:

- clipboards
- Non-toxic correction fluid

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- Note pads (small and legal size)
 - Paper clips
 - All sizes envelopes
 - Notice boards
 - Tapes
 - Paper cutter
 - Solar calculators
 - All types of Pens and pencils
 - Office files
 - Printer and copier papers rims
 - Dry milk
 - Coffee nuts
 - Non-toxic Floor cleaning material
 - Printing on cups and pens for market promotion
 - Diaries
 - Shields
 - And many more items

Market Analysis Summary

The supply shop believes that it faces a market with many opportunities and significant demand. Supply shop focusing three main customer segments will be corporations, government agencies, and locals which is known as 'catch all' category.

The supply shop operates with many different big companies and many small too. Within the office supplies industry, there exists a niche of environmentally-friendly companies that supply shop competes against. Some of these companies serve local markets, others are Web-based for broader coverage.

Market Segmentation

The supply shop has identified three customer segments for which the company will work:

- **Corporations:** This customers group consists on companies, which normaly have at least 25 employees. These customer purchases for the whole organization, however sometime different groups within the same organization make purchases individually. These customers interested in the purchase of environmentally friendly supplies because of owners' personal belief reasons or as part of a PR program that communicates to their customers that the business is committed to the environment and makes procurements based on environmental factors.
- **Government Agencies:** This segment is that which is always expanding. The foundation of this group is based on federal government. The government requires the federal government to buy the products which are cheap and environmentally preferable products.
- **Other:** This group is based on all segments that consist of a wide range of entities such as small companies, individuals, destrict schools etc.

Target Market Segment Strategy

As described previously that in the Market Segmentation section, three customer groups have been identified. Two of these, corporations and government agencies are attractive as customer segments. The third is as a 'catch all' category. The strategy will be the use of a targeted sales campaign through meetings, social media and links. The process of comparing will carry according to the specific group and targeting customer. The people in comparing will responsible for the agencies will be chosen based on past experience and professionalism in selling.

Industry Analysis

The broader industry that supply shop competes in the office supplies industry. Within that industry there are many market leaders. Some of them are stated below:

- Prism trader
- BM trader
- Khalid Sons

All of these companies offering both local as well as mail order/Internet sales. These are the leaders with a combined 43% market share. The remaining players in the market are made up of both mail order/Internet competitors as well as locals. Within this market it is a newly developed niche of environmentally-friendly suppliers. The most of the companies competing in this niche on mail order/Internet based.

Competition and Buying Patterns

There are two types of Competition, direct and indirect competitors. Direct competitors are companies that offer similar types of environmental-friendly products. The indirect competitors are companies which are the office supplies industry who offer eco supplies but do not concentrate on these products. So on basis of competition, the Customers' buying patterns are based on two factors which are following:

- Price: Both a relative comparison to standard general supplies as well as eco-friendly ones.
- Convenience: Ease of ordering, Ease of use, Big variety of products.

Personnel Plan

- Azeem will see the Operations, business development, some finance, some accounting.
- Hashim will responsible for Procurement, marketing.
- Sales: Account manager functions.
- Administrative/customer support.

Risk Assessment

Strenght

- Low cost
- Environment friendly

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- Low resources

Opportunity

- Employment opportunity
- Shrink the gap between demand and supply

Threats

- Pricing
- Market strike
- Customer bankruptcy

Weakness

- Long procedure to pay
- Low inventory turns

Conclusion

The supply shop took an initiative to give the ease of people for rising concerns to save time money and eco-friendly as well. Several new companies becoming more efficient to keep atmosphere clean and giving best to its employees. The supply shop meeting all of their concerns by giving them quality products.