

Portfolio Project: Business Research

Student's Name

Institution

Date

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Executive Summary

Many business establishments have been started and failed. For those that have succeeded, there is an element of planning that took place. Getting into business without a clear plan is dangerous and often leads to failure (Roy, 2009). This proposal aims to establish the details regarding the implementation of business ideas, which is, starting a food and beverage company. The paper, therefore, explores the issues related to this establishment, the details of the idea, why the idea is deemed important and research into the business analysis strategies that can be used to shed light on the feasibility of the ideas. The paper also provides recommendations in line with the proposed business idea and based on the research findings of the business situation.

Business Proposal

Starting a business is not a simple move. It is even more difficult when the market the business is expected to engage is already filled with similar enterprises, all providing more or less similar products or services. The importance of planning in this case is in order to identify the clear cuts and opportunities that the new venture can utilize to obtain a favorable position in the market. This only happens when the vision of the business is clear enough and when the target customers can compare the new product or service favorable with the rest. Therefore, to be outstanding in the food industry will require vision and a mission that is indisputably the best (Martin, 2002). This business will be an important step in making the modern food business a reality. The establishment will endeavor to provide the customers with not only quality products (foods and beverages), but also quality services that are human centered.

The business idea proposed here relates to the establishment of a new face of food and beverage industry in the country. The business is expected to start off as a food outlet that is

projected to grow and become a reference in the industry, providing quality products and services.

The Mission of the Business

The business is proposed with a mission to provide high quality products and services that are human-centered, dignified and differentiated as human needs are. This will be the focus which will guide the innovativeness of the company. Being human centered will help the company to connect directly with the people in this era of individuality and business mindedness.

The Vision of the Business

With the above mission in place and in the hearts of all stakeholders, the company will become a globally recognized establishment that is best in connecting with people and responding to their individual tastes by putting a baseline focus on their physiological needs. The human connection will also encourage acceptance and call for customer loyalty which is a milestone in the success of the business.

Business Objectives

The success of the business will be guaranteed by the focus which the stakeholders put on the vision and also on the set objectives of the business. According to Martin (2002), strategic plan for the business will have to cover the following objectives (Martin, 2002).

Short term. The objective of this business is to try and grow by approximately 8% each month, to achieve total sales of £50,000 by the end of the first year. This translates into selling an average of 50 breakfast combinations and 100 lunchtime meals daily in this first year.

Medium term. For the second and third year, the business expects continued growth by the projected 8% per month and increasing of the number of food outlets in the city and in the

suburbs. This is supposed to increase the annual sales to above £100,000, which will be an important stepping stone towards expanding the business in the region.

Long term. With a successful expansion in the local region, the company will look into expanding to additional cities in far regions and all over the continent. The impact of this will be increased sales and hence more expansion.

Rationale of the Proposal

This proposal is directed towards the realization of a new face of the food industry. Food is the modern industry that will still retain the connection and the human-centered relationship that is required in the fulfillment of the physiological needs of human beings. Besides the food, the business will offer quality space and time that the customers can enjoy themselves and thus improve the interpersonal relationships that have been lost with the modern individualism and businesses.

Starting a business will, therefore, besides giving me economic autonomy and freedom, provide the public with an opportunity to be human and to receive humane treatment. It is also clear that with the anticipated success of the business, there will be more funds to do greater adventures and to allow more innovations that will change lives.

Business Research

For the success of any business idea, a vast research must be conducted to ascertain the feasibility of the idea and its applicability in the situation so described and with the prevailing conditions (Hill & Jones, 2010). This research section seeks to apply Porter's Five Forces model and the SWOT analysis model to assess the feasibility of the proposal.

Porter's Five Forces Model

According to Porter (1980), any business establishment has to effectively assess and make a comprehensive analysis of their target market. This helps the business to identify their effective sources of advantage in competition. Porter identified five forces that will affect the internal environment of any business (Porter, 1980).

1. Substitute products threat

Although the relative threat for a substitute in the food industry is not huge, a new establishment must seek to ensure that their products are regarded as favorable in quality and cost. When providing a similar product as do other rival companies, it is also necessary to learn and capitalize on these companies' failures or shortcomings.

2. The entry of new competitors

Any established company must be wary of new entrants in the market. New entrants come with a vision to outdo the established companies and attract their customer base. New entrants also bring into the market a new level of competition in terms of technology and expertise. Their establishment is dependent on the failures of the established companies.

3. The intensity of rivalry

This refers to how the companies view one another in the business. Some companies may take business competition for rivalry and hence try to politically or socially bring down a new entrant or a rival in the market. This is a serious consideration for a new establishment and involves learning more about the rivals and being cautious of invitations to partner.

4. Buyers' bargaining power

With the wideness of the industry, the consumers have a relatively wide range of products to choose from. When the cost incurred in selection and switching of product and market is low or insignificant, the buyers are considered to have a relatively high bargaining

power. In such an industry, the business establishment must provide products and services that are of exceptionally good quality and in considerable prices. Otherwise, the customer base is easily lost.

5. Suppliers' bargaining power

The supplier's bargaining power is on a similar level of importance . The suppliers have a high bargaining power if they can dictate the prices of the supplies and gain the upper hand in the procurement. However, when the businesses are not predictable and the suppliers exceed the businesses, the suppliers require a stable operation ground, and this reduces their bargaining power.

SWOT Analysis

This is an analysis of the situation in which a business establishment or organization is. The analytical focus is on the assessment of the internal and external environment of the business to establish if there is a chance for advancement. In this analysis, the business strengths, weaknesses, opportunities and threats are assessed.

Strengths refer to the systems that have been put in place by the management or the owners of the organization that put the business in a competitive position for success. The strengths can be the experts, the systems or the processes. The analysis, according to Pahl & Richter (2007), needs to answer the following questions;

- a) What can your business do better than anyone else?
- b) What benefits can your customers get from you?
- c) What can your products and services offer that your competitors cannot?
- d) Are there unique processes, products, or services that set you apart from the rest?

The weaknesses of the business refer to the shortcomings, natural or man-made that already exist in the business and which can hinder development. They could be old systems, lack of finances or a collapsed management. In this case, the analysts answer the questions:

- a) What can the competition see as the business' biggest shortcoming?
- b) What do the customers regard as a weakness in your proposed methods, products or service?

The opportunities of the business refer to the chances that are there, which increases the probability that the business will establish and grow. These are areas where the business is advised to focus attention and utilize the chances for its benefit. The section will seek to answer the questions:

1. What are the gaps in the market that the business can fill?
2. What are the weaknesses of the main competitors?

The threats are the present and/or future situations that may jeopardize the business. They are assessed so that the company may devise ways of avoiding or eliminating them. The threats may be related to economic factors, social or even political factors (Pahl & Richter, 2007).

Research Findings

From these research findings, it is clear that there are vast opportunities in the food industry that a new business can venture into. The lack of major issues related to new entrants in the market will help in the realization of the objectives set (Hill & Jones, 2010). Since the food industry has higher consumer bargaining power and lower suppliers bargaining power, a new business that is ready to provide quality will quickly build a consumer base with little adjustments in the expenses. The threats of new entrants and other factors will be effectively

covered with the expansion that is scheduled and diversification of the products to spread the risk. The business idea is, therefore, feasible and applicable in this situation.

Recommendations

Success in business is the fruit of the determination, research and focus. Even with a large capital at hand, a business will fail if proper planning and research are not done. For the success of this business, therefore, research should be done on the market, the consumers, the suppliers and the competitors. The research should be focused on identifying the real issues in place, the opportunities and threats. This will help the new business in grabbing the opportunities and evading threats before they ruin the business and also in identifying the weaknesses of the competitors and probably acting to counter them and steal their customers. Research on the suppliers and the consumers will help in focusing on quality as defined by the customers and hence ensuring that the products are acceptable in the market and meet a ready market. Starting this kind of business appears feasible since there are opportunities for all this research, and hence, a considerable level of success is expected.

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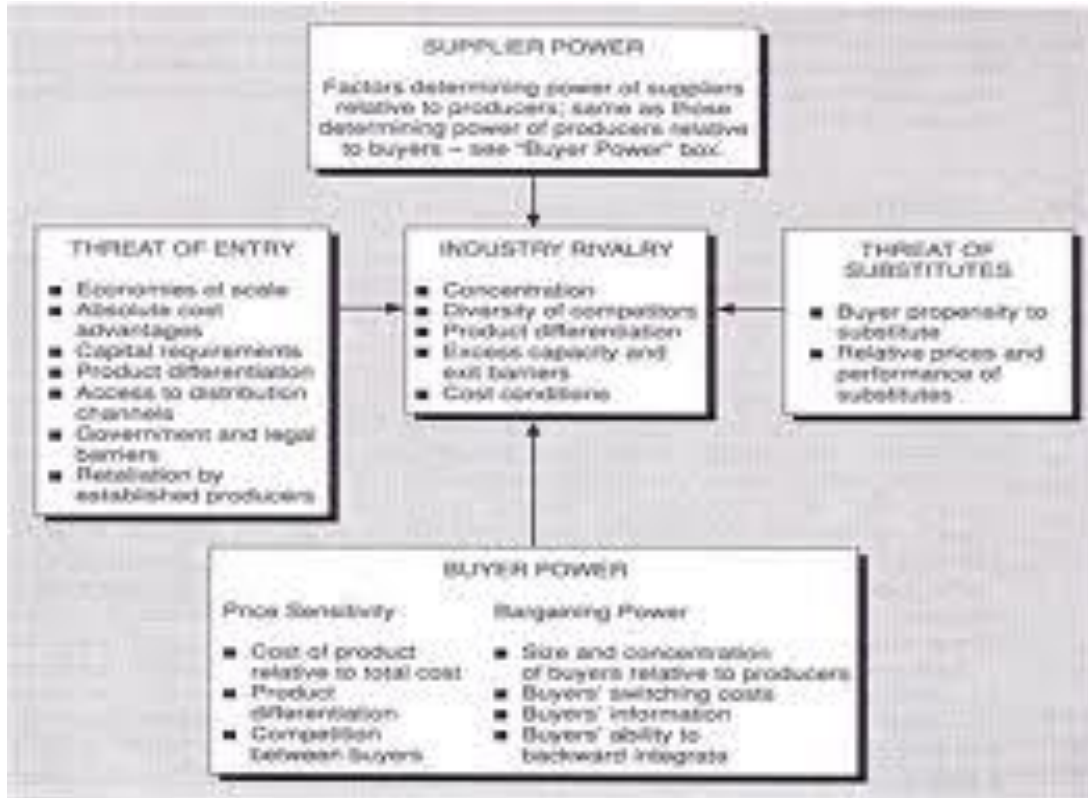
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Appendix 1

Porter's Five Forces Model



Appendix 2

SWOT Analysis Model

