

NATIONAL UNIVERSITY OF SCIENCES & TECHNOLOGY

NUST BUSINESS SCHOOL



FINAL PROJECT REPORT:

BUSINESS MODEL FOR GROOMERS

BY:

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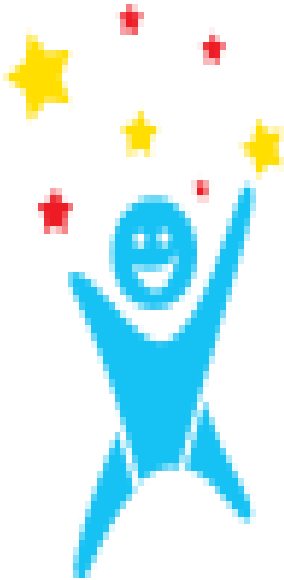
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BUSINESS PLAN

GROOMERS





Groomers

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Executive Summary:

The company have devised a key solution for parents to send their children for grooming classes near their homes. They will specifically work on grooming of children, their dressing, working on their personality, manners, etiquettes so that they show groomed behaviour in all kinds of situations. This company is formulated by trainers and workers under the guidance of the Chief Executive Officer. There are special trainings and skills required to groom children of different ages. Inspection and maintenance is done by Chief Operational Manager, all the financial work is handled by Chief Financial Officer while Chief Marketing Officer and Chief Technical Officer keeps all the marketing activities and technology under controlled and managed. This company offers the services at competitive price to meet the demand of elite and middle class parents or residents. They are dedicated to consistently providing high customer satisfaction by rendering excellent service, quality products, and an enjoyable atmosphere for students. They will also maintain a friendly, fair, and creative work environment that respects diversity, ideas, and hard work including interaction and friendly relationship with their students or children.

2. Company Information

2.1 Company Description

2.1.1 Business Structure

Groomers, is a child grooming institute that will specifically work on grooming of children, their dressing, working on their personality, manners, etiquettes so that they show mature behaviour in all kinds of situations. There is a need for this training institute because educational institute only focus on academics but do not any pay attention on teaching manners and etiquettes which actually shape the personality of child. For this reason, children lack the ability to ethically interact with others, they don't know the difference between formal and informal language. Parents always desire that their children not only excel in academics but they also become good human beings and reflect good behaviour with others. However, because of their commitments, they couldn't fulfill this responsibility. Groomers is a business which has identified this gap in upbringing of children and will focus only in teaching children manners and etiquettes so they reflect good behaviour and become civilized.

2.1.2 Industry Information and analysis

Children Grooming Industry begins as a start-up business. There are organizations which are working for betterment of children like schools, but the main focus is on studies. So, this organization will particularly focus on grooming, personality, lifestyle, etiquettes, manners, dressing etc. This idea is innovative and will have good outputs as nowadays both the parents are busy in their lives, fathers in offices and mothers are also working ladies, they handle household activities as well with the working activities, so they don't get time to focus on their children hence they will definitely approach them to educate their children.

Below are the numbers of population of people of Pakistan:

| Provinces | Population |
|--------------------|-------------------|
| • Sindh | 42,400,000 |
| • KPK | 26,896,829 |
| • Baluchistan | 18,050,948 |
| • Punjab | 105,478,726 |
| • Total Population | 192,826,502 |

Formal Educational Institutions in Pakistan:

| | Sindh | KPK | Baluchistan | Punjab |
|-------------------------|--------------|------------|--------------------|---------------|
| • Primary School | 46,759 | 24,991 | 11,079 | 52,414 |
| • Middle School | 5928 | 4921 | 1,406 | 26,831 |
| • High School | 5,189 | 3,774 | 917 | 17958 |

| Province/region | Education score | Learning score |
|------------------------|------------------------|-----------------------|
| Islamabad ICT/Federal | 85.74 | 75.13 |

Islamabad alone has 1,200 low cost private schools and all over Pakistan there are 70,000 such institutions. Pakistan today has a population for almost 20 million people and amongst these 14 per cent are less than five years of age.

In Islamabad Capital territory, 24000 children are out of school. Islamabad has highest 85% population of children going to schools.

Now coming to the grooming centres in Pakistan, as this is an innovative and an absolutely new idea, so there are not any centres that specifically focus on the objectives what this organization is providing.

SWOT Analysis

The internal and external factors that impact this company directly and indirectly are as follows:

Strength:

- Quite reasonable (affordable)
- Professional teachers
- Responsive to Customers
- Unique idea
- Easy to reach (location)

Weaknesses:

- To promote the new business
- No Transport (for students)
- To search good educationists, psychologists in reasonable fee

Opportunities:

- To include health, sports services
- To expand business in other cities of Pakistan
- First mover advantage in grooming area

Threats:

- Competitors
- Lower educated parents
- Safety issues.

2.1.3 Target market

The target customers for this business will be **children** with age of 3 to 18years, and their **parents**, elite and middle class, that must have trust in this company to send their children for grooming.

Customers: Parents

Indirect customers: Children aging 3-18 yrs.

2.1.4 Benefits to the Customers

Following are the benefits:

- Quick service
- Reasonable fees
- Reachable location
- Safe environment
- Trust worthy company
- Can visit and see your child at any time if insecurity
- Friendly environment
- Feel free to interact
- Customers are always welcome by the company

2.1.5 Competitive Advantage

The competitors for the company are mainly schools or other training centres. Although the service they are providing is different from the existing organizations but still they need to be better and keep improving themselves.

This company will particularly focus on grooming, personality, lifestyle, etiquettes, manners, dressing, and homework and sports which students' lack studying in schools so this is an advantage for the company that no other organization is offering what they are focusing on.

The competitive edge is two-fold:

1. **Specialized training-** The facility can only be as good as the teachers and assistants. With this in mind, they should have a specialized training program that all teachers and assistants are put through so they are proficient at teaching the specific programs that the organization has developed for children starting from 3years. The employees are put through an intensive weeklong course and only after they pass the intensive training will they be allowed to work with the children.
2. **Innovative learning programs-** Typical learning programs for children this age focus on specific traits and only work on one trait/ skill at once. While this is successful in reinforcing the skill, it is often very difficult for the child to appreciate the interrelationships of the different skills. Consequently, the child can learn the skill, but has difficulty applying the skill when faced with multiple stimuli. When the child is unsure of what to do because of the multiple stimuli and these several skills that they have learned independently, the child tends to shut down out of confusion. So, it is better for skills to not be in isolation from each other but taught together. They support the assertion that when the skills are taught together, just as you would expect to encounter them in real life, the children are able to assimilate the new task into their skill set much quicker.

3. Strategies and Plans:

3.1 Strategy:

This company is targeting an elite and middle-class parent and their children. With this in mind, they must then carefully communicate its services if the company is to be patronized by the target segment. What will be communicated are competitive advantages: specialized training

of the staff and innovative learning programs. If the targeted parent hears and understands these advantages, they will more likely be willing to switch to the company.

In addition, they will be using advertisements on pamphlets and flyers to sell its services. Most parents want to see a facility before they will send their kids there. Groomers have facilities that are so good that they speak for themselves. Therefore, it will be a priority to get the parents to view the facilities and that will convince them.

3.1.1 Vision:

A child is born with immense potentialities so every child is the center of all the learning activities, where the personal attention is given to every child to be focused on physical, intellectual, emotional and spiritual development.

3.1.2 Mission Statement:

“Mission is to provide a safe, secure, loving, supportive, culturally and developmentally appropriate, high quality environment for children ages 3 to 18 years. Our focus is to provide a stimulating early grooming and education experience which promotes each child’s social/emotional, physical and cognitive development.”

3.1.2 Organization objectives:

- To provide a strong foundation for the child in education to become a leader in global scenario.
- To establish a school /institution where children grow up in the natural environment and prevail.
- To provide state-of-the-art facilities to the students to develop themselves. ‘Learning by doing’ is the motto, where learning is a pleasure. This organization will specifically work on grooming of children, their dressing, working on their personality, manners, etiquettes and sports including many other activities.
- To mold a child to be society committed and tomorrow’s leaders.
- Increase safety and build trust among customers
- Research and development, or other learning or innovation goals, to improve company’s capabilities for serving the market and its interests
- Build loyalty: loyalty with customers and they feel uncomfortable using goods or services of another entity

3.2 Marketing Strategy:

A new professional grooming business needs to generate customers, sales and profits to become successful. They will be marketing a business that is needed by your potential customers (job working parents). They will operate from a location that is convenient for your customers. For creating awareness of this grooming business and an interest in purchasing it's services - **the marketing promotion** is needed.

3.2.1 Critical Issues and remedies:

Building awareness of the company should improve, following are some of the critical issues and their remedies:

- ✓ Most of the services are not considered reliable and quick, so they should focus on making it a reality for the customers and try to be fast and quick to response.
- ✓ Results should be tracked about the previous marketing activities those that haven't worked well, trying to avoid those and implementing the best marketing activities with high chances of success
- ✓ Identifying the right technology for the needs, looking for a tool, software, or piece of technology to solve a specific marketing problem, if any, they recommend taking a look at Growth verse: a free, interactive, online visualization of the marketing technology landscape that focuses on the business problems marketers are trying to solve, and leads them to specific pieces of marketing technology that aim to solve those problems

3.2.2 Segmentation and Target Market:

The goal of company is to be the leading grooming centre in Islamabad and provide highest quality of education, grooming lectures/activities and other physical, psychological and social and cognitive development of the children in Pakistan such that every parent will be utilizing this most advanced/professional learning style and grooming that is smart, safe and effective. So, each and every educational sector is counted as their customer but their major target is elite and middle class parents these days, instead of the focusing on elite class only, which most of the other grooming centres are targeting. Educational institutes, academies, working parents (etc.) will be attracted towards this service. There are no such direct competitors in the market so; they've the first mover advantage. This service is actually replacing the only objective companies and schools focus on which is education, rather than grooming for children that may include etiquettes, learning etc.

3.2.3 Product/Service:

They will be providing services for children that needs grooming and parents of middle and elite class. Some of the features or activities the company will have are: school assignments, grooming classes plus activities, learning and sports class, having break as well for children to take rest and have some sleep. Children can avail this service after school timing and parents will also be relieved that their children are at a safer hand now. Their service is different from others because it is the only grooming center in Islamabad focusing on children grooming activities rather than the educational activities.

3.2.4 Pricing:

They will be pricing per month as it will be easy for parents to pay rather than in sessions which will be difficult to pay. They will include school assignments, grooming activities an lectures and sports as well. Case that may affect the price of an individual customer or may increase i.e. late collection of fee. They won't charge if a child is ill or misses a session as a consequence. Discounts can be made available for parents that may admit children on merit basis.

| Age Group | Fee Structure Per Month |
|------------------|--------------------------------|
| 3-7 Years | 12000 |
| 8-12 Years | 14000 |
| 12-16 Years | 18000 |
| 16-18 Years | 20000 |
| | |

3.2.5 Place:

Location that is selected for Groomers is the sector I-9 markaz Islamabad, houseno 23, street 15. As its target is middle and elite class, so people from I sectors and G sector can also think of admitting their child in our grooming school because of reachable location.

3.2.6 Promotion:

Marketing messages to their target market will be conveyed easily through pamphlets, flyers and SMS to educational institutes which are Roots School System, Beconhouse School System, Silver oaks, Army Public School and Springfield School. Online advertising can be done through sending emails to parents, getting them aware about our services. To avoid their

competitors, they may highlight what others are not offering, e.g. reasonable location, professional and skilled staff, providing security and trust etc.

3.2.7 People:

The company have targeted the middle and elite class parents, in Islamabad to get admission of their children in our grooming centre. Children from 3-18 can get admission in our company and can avail the services.

3.2.8 Process:

The activities will include

- School assignments
- Break
- Grooming class which may include lectures and activities regarding grooming by professional psychologists, educationists and trainers
- Sports

3.2.9 Physical Evidence:

Location that is selected for Groomers is sector I-9 Islamabad. As its target is middle and elite class, so people from sector I and G sector can think of admitting their child in our grooming centre. Building has a sufficient space in case if they want to add up more activities for students.

3.3 Sales Strategy:

The organization's sales strategy will be targeting income working professional families. These families have the money to spend on child care and these parents are much more likely to appreciate in advanced learning systems taught by the company. The sales strategy will be based on a communication effort to explain the virtues of the program and how time can speed up the children's development considerably. In addition to one on one explanation of the program and its activities, the prospective parents will be given tours of the facilities as well in the organization. The tour of the facility will serve two purposes:

1. The tour will be used as a way to impress the prospect of the facilities that the organization will have. These facilities will be custom designed to achieve very specific goals.
2. The tours typically occur during the day and this becomes a perfect opportunity for the potential customer to view the care as it is occurring. This will serve to build a trust bond

between the company and the parents who naturally is cautious about leaving the child with strangers, to have the child cared for and taught the entire day, timings are (3pm-8pm).

3.3.1 Sales Forecast:

The **first two months** will be spent renovating the house and bringing it up to specifications, both for the state health and license codes, and other specifications. During this time, CEO will be finishing up the training program and manuals. The **first week of the third month**, i.e. July 2016 will be used for training of the staff. By the middle of the September 2016 they will begin accepting students. It is anticipated that the facility will be under-utilized until the **eleventh month**. By then, word will have spread and the classes will be filling up quite nicely.

Year 1

| Age Group | Fee Structure Per Month | Students | Total | Registration fee |
|-------------|-------------------------|------------|----------------|------------------|
| 3-7 Years | 9500 | 65 | 617500 | 25000 |
| 8-12 Years | 13000 | 55 | 715000 | 25000 |
| 12-16 Years | 17000 | 60 | 1020000 | 25000 |
| 16-18 Years | 19000 | 35 | 665000 | 25000 |
| | | 215 | 3017500 | 5375000 |

Year 2

| Age Group | Fee Structure Per Month | Students | Total | Registration fee |
|-------------|-------------------------|------------|----------------|------------------|
| 3-7 Years | 12000 | 70 | 840000 | 25000 |
| 8-12 Years | 14000 | 60 | 840000 | 25000 |
| 12-16 Years | 18000 | 65 | 1170000 | 25000 |
| 16-18 Years | 20000 | 50 | 1000000 | 25000 |
| | | 245 | 3850000 | 6125000 |

Year 3

| Age Group | Fee Structure Per Month | Students | Total | Registration fee |
|-------------|-------------------------|------------|----------------|------------------|
| 3-7 Years | 15000 | 71 | 1065000 | 25000 |
| 8-12 Years | 16500 | 63 | 1039500 | 25000 |
| 12-16 Years | 19000 | 72 | 1368000 | 25000 |
| 16-18 Years | 22000 | 64 | 1408000 | 25000 |
| | | 270 | 4880500 | 6750000 |

3.4 Operational Plan:

The company understand the purpose of a grooming business and provide environmental choices to the customers. The big part of operations plan is to attract the best residents for their company, those will surely be willing to admit their children in this grooming company and will be willing to pay for their fee without any problem. Friendly and comfortable environment is established for the parents as well as the children, so that they learn and have fun at the same time. Different and exiting activities will be assigned to the students by the professionals that children won't get bored of, and they'll learn with all their attention and focus.

3.4.1 Business Model:

They will provide your child with the competitive edge to navigate smoothly in this increasingly competitive world. Interactive, fun and informative, manners for children goes beyond home training to polish the children's social skills with wonderful confidence-building program.

They will help to give youngsters and teenagers a head start with skills that will last a lifetime. This program is designed to give these future leaders the knowledge they need to be confident and poised in their interpersonal activities. For the first year hence the cost will be bare minimum as shown in the business report. The aim is not to just satisfy need, instead it is to exploit that need and earn money as well. They are going to earn money by providing their customers with unique, more effective and long lasting services.

The initial investment is not going to be very high except for the equipment required for the service but they are sure to recover this cost soon. The fee category per month varies according to age as discussed in sales forecast.

3.4.1.1 Service blueprinting:



3.4.2 Office Location and Size

Location that is selected for Groomers is sector I-9 Islamabad. As its target is middle and elite class, so people from G sector and H sector can also think of admitting their child in our grooming centre. Rent of the building is about RS 50,000 a month and working timings will be from 3pm to 8pm. Building has a sufficient space in case if they want to add up more activities for students.

3.4.3 Legal Requirements:

The company fulfils following requirements for the registration according to law stated in SECP and companies ordinance:

- Availability of name

- Documentation for registration
- Memorandum and Article of association: Four printed copies of Memorandum and Articles of Association in case of offline submission and one copy for online submission, duly signed by each subscriber in the presence of one witness
- Registration fee
- Certified Copies of Memorandum & Articles of Association and Certificate of Incorporation: certified copies of memorandum of Association, articles of association and certificate of incorporation, challan of the requisite copying fee and Court stamps fee of the requisite value is being furnished alongwith registration documents

3.4.4 Suppliers of Products and Services

Furniture suppliers will be bought from Khawaja furniture, electrical equipment will be bought from Khan Electricals, and medical equipment will be bought from D Watsons while the sports equipment will be collected from sadder Rawalpindi. The company will do proper marketing and the business will get a fluent and continuous links with other schools, mentioned in promotion, in order to spread word of mouth as it's the fastest way of spreading information.

3.4.5 Website Maintenance

Initially business will have only a Facebook page which will be operating under the supervision of chief marketing officer. Later after the establishment of business they will make their own website on which they will provide details of the running business. Through Facebook page they can create awareness among customers online and can promote their business as well.

3.5 Management Plan:

Groomers will start by opening a centre in Islamabad, sector I. The company will hire educationist, psychologists and professional teachers. Parents will be ensured that their children are going to a trust worthy organization. Moreover, it's a company that is run by following partners:

- a. CEO (Chief Executive Officer) : Maryam have been acted as CEO in several projects and also possess good quality of a leader and has skills of finance as well
- b. CFO (Chief Finance Officer) : Zohaibis a skilled financial officer, handled many difficult financial work and calculations as well
- c. CMO (Chief Marketing Officer):Ayesha is a marketing expert and can handle the advertising and market sector perfectly.
- d. COO (Chief Operations Officer) : Awais, have expertise in operational management

- e. CTO (Chief Technical Officer) :Shahrukh, have expert skills in technical work and he will handle it without any objection or rejection.

This company is a modern playful learning place for children with emphasis on activity based learning. They provide a safe and fun-filled environment that helps children to learn, grow, acquire knowledge and develop analytical skills. The preschool years are a special time in a child's life. The care and experiences that kids receive during their early years have a powerful influence on how they view the world and relate to others. They emphasize the development of the child through active learning situations working on their personality, manners, etiquettes etc. They strive for a balanced, nurturing, caring, developmental approach for children. Their program encourages children to make discoveries, explore, solve problems and develop social skills. Throughout the day, the program actively engages kids in experiences to develop their physical, social, and cognitive language skills.

They are going to make it transparent for you to understand how they will manage their activities, and how they will manage their alliances and different functionalities of their business.

3.5.1: Professional and advisory support

Groomer is a company that comes into with an aim of grooming a child, their dressing, working on their personality, manners, etiquettes so that they show mature behaviour in all kinds of situations. They will manage the functioning of the business and during the initial stages of services delivered.

Mr Yasir Magsi, a business professional, with considerable understanding of the business development industry helped us and provided us with the guidance, also through the efficient management of the resources: human and Financial.

3.8 Tips of grooming a child:

1. Imbibing confidence:

If the child is confident, it will have faith in its own abilities and not be worried about dealing with new situations. "Keep activities like watching television and playing computer games to a minimum, as they don't promote the development of social behaviour," says Anupam Misra, a 28-year old executive with a private bank in Delhi with a four-year-old son.

"Encourage them to participate in extra-curricular activities. If they are trying something new, give them plenty of support and tell them you are confident so they will succeed," says Madhu Srivastava, 26. She is a teacher based in Lucknow.

2. being independent:

"Parents tend to pamper their kids a lot," feels Rishi Gupta, 29, a manager in a telecom company.

Teaching a child that no one else is responsible for, maintaining their things, makes life easier on both their mothers and fathers. E.g., teach them the 'House Rule' -- if they makes a mess, they must clean it up.

By allocating small tasks for them to accomplish on their own right from childhood, they will learn how to become independent. Being over-protective sends the message that the company don't think they are capable of handling things by themselves.

2. Accepting responsibility:

They must be accountable for their own actions. Start teaching them to take responsibility for their actions early on.

3. Learning to respect:

Parents can be the best agents of social change. They can bring up their sons to be understanding, kind and respectful towards women.

Making respect a permanent way of dealing with people, whether they're talking to customer representatives, or with their family at the dinner table.

4. Being expressive:

"Children are usually not encouraged to develop qualities such as compassion, sensitivity and warmth, but this neglects their emotional needs," says Preeti. They learn that expressing certain emotions or showing weakness is inappropriate, and wear a mask of toughness, suppressing their true feelings.

"Encourage them to recognize and express how they feel, whether the feeling is good or bad. Listen to what they tell you, and look for messages even in silence or outbursts"

5. Cultivating friendships:

Making good friends is important. "Keep an eye on the type of friends they make, as their young mind can be easily influenced by peer pressure," advises Madhu.

6. eating healthy

The best thing you could do for them is to make sure they have a balanced diet and eats variety of food.

Some foods that children do not have enough of are milk, fruit and vegetables. "

7. Exercising effectively

Childhood obesity is on the rise, and sedentary behavior (like watching television and playing video games) are a contributing factor.

They suspect if the students are not getting enough exercise, they have the right to be concerned. "Encourage kids to get involved in physical activities they enjoy, whether it's a team sport like basketball or football, or just cycling with friends," says Saira, a mother.

8. be there for them

Try your best to be there as much as possible because, if it boils down to just one thing you can do, this comes out on top. The time doesn't necessarily have to be spent in activities. "Just being there for the students is important" which may include listening to them, watching them or keeping an eye when they fall asleep and when they get tired etc.