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**A BUSI NESS PLAN I N PARTI AL FI L FUL LMENT OF THE
REQUI REMENTS FOR THE COURSE; CEDR 342
(BUSI NESS DEVELOPMENT AND GROWTH)**

AMAZON I NTERI ORS

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1.0 EXECUTIVE SUMMARY

1.1 This report is written by Essienubong Abasibiangake is for the establishment of a proposed venture, Amazon Interiors.

1.2 The business will offer comprehensive interior design services for homes, offices and schools in the Port Harcourt and its environs. It will also provide access to products that complement the design consulting services. Such products include; decoration fabric, furniture, and home and office accessories.

1.3 The entire capital of establishing the venture is ~~₦~~16,491,500

1.4 Amazon Interior has a vision to be the best client and structure- friendly interiors in Nigeria

1.5 The business will be located at Abuloma, Port Harcourt due to its nearness to the desired target market.

1.6 The target market is promising because they are wealthy, they appreciate beauty and quality and they are concerned about how good their homes, offices and schools look.

1.7 Total revenue expected in the first year is to exceed ~~₦~~69,000,000 with a loss. The venture will show increasing profits in year two and three, with revenues projected to increase to almost ~~₦~~120,000,000.

1.8 Amazon competitive edge lies in the creativity and ingenuity of the owner.

2.0 INTRODUCTION:

This business plan is written by Essienubong Abasibiangake, who desires to open an interior decoration complex in Abuloma, Port Harcourt. The location is chosen because of a high demand for interior decoration in that sub-urban area. The residents are characterized by wealth, exposure, taste for quality and international standard. Amazon Interiors will be readily available to serve their needs by giving them quality decorating sets in their homes. It will deal on decoration fabric, furniture, household materials, furniture, and home and office accessories.

2.1 Vision

To be the best client and structure- friendly interiors in Nigeria

2.2 Mission

Interiors perfect for the structure. To offer classic, quality interior decoration that will suit

2.3 Company Profile

Amazon Interiors is a start-up sole- proprietorship business that will offer comprehensive interior design services for homes, offices and schools. Amazon interiors will offer goods and provide services. The website is www.amazoninteriors.com, the phone number is 08103003562, and the e- mail address will be amazoninteriors@gmail.com. will be used as another way to communicate the services available and provide a portfolio of the work accomplished. The business will begin as a home- based business and is expected to remain in this structure through at least the first three years

2.4 Business Ownership

Amazon Interiors is a sole proprietorship owned and operated by Essienubong Abasibiangake.

2.5 Location and Facilities

Amazon Interiors is located in 15, Aeroplane drive, Abuloma, Port Harcourt. It is a three storey building comprising of offices (managerial, accounting, client service and digital), reception, creative- thinking room, showrooms, gallery for design concepts and work done.

The location is serene. It is situated in a sub-urban area. Although closely surrounded by offices and business areas, schools and residential areas are closely situated around it.

2.6 Keys to Success

The key success factors for Amazon Interiors are:

- Offering client and structure- friendly interiors and consulting.
- Giving clients opportunity to participate in the decoration while guiding them through.
- Sell specially selected products to these clients to further meet their interior design needs.
- Employing deep creativity and ingenuity in decorating.

2.7 Inherent Risks

1. Continuous increase in price pressure due to competition or the weakening market reducing contribution margins.
2. Dramatic changes in design, including fabric colors and styles can present challenges to keep paced with what is desired by what is expected to be a leading- edge client base.
3. Expansion of products and services offered by other sources including national discount stores into the local market including.
4. Occasional difficulty in creatively thinking or producing designs.

3.0 PRODUCTS AND SERVICES

Amazon Interiors provides the following services;

- Interior design consulting.
- Clients participatory services in decoration with guidance

Products available through Amazon Interiors include;

- Furniture, art pieces, decorator fabric, and accessories for the home and office.
Furniture available through special purchase arrangements with Bedmate furniture, Alfim furniture, and whinyz and local craftsmen.
- A selection of decorator fabrics from Waverly, lapel interiors, Fabricut, Ralph Lauren, Regal, Robert Allen, Latimer Alexander, Covington, and Portfolio.
- A line of drapery hardware called "Oval Office Iron" purchased through Dept. of the Interior Decorator Fabrics in Eugene, Oregon found
- Accessory and art pieces available through wholesale shows.
- Hunter Douglas window treatment products including a variety of hard window coverings.
- Interior shutters made of wood and a plastic/resin product called "plywood."
- Antiques acquired for specific client needs through an arrangement with a local antique buyer and through direct purchases through other sources.

3.1 Product Description

- A unique client experience from a trained and professional interior designer that is qualified and capable of meeting the needs of discerning clients with high expectations.
- Access to a wide and unique selection of new and antique furniture, accessories, and special-order decorator fabrics.

- Personal assistance from a complementary product offering, including hard- covering window treatment, hardware, and home accessories that fit the look and objectives of each project.

3.2 Competitive Comparison

Our competition is primarily from other interior designers. Looking at a broad picture, there is also competition from the " do- it- yourself " resource providers that have retail stores and websites that include the following:

- Floyd, West elm and Beyond moved into the market in the year 2002 at an excellent location.
- Discount stores including Target, Bob's Discount and Home Depot have expanded their fabric, bedding, pillow, and ready- made drapery selections often representing lines including Waverly.
- Norwalk continues to make purchasing " blank" furniture and making a designer fabric selection an attractive option to recovering furniture.
- Catalog sales continue to be a strong force with a list including Universal furniture, Calico Corners, Ballard Design, and Eddie Bauer expanding purchasing selection.
- The list of competitors for home accessory competition includes Pier 1 and local competitors that provide an entire list of other furniture, accessory and gift stores.
- Web sales of furniture, fabric and other interior design- oriented products have expanded dramatically and in many cases is easily available.

4.0 MARKET ANALYSIS

Amazon Interiors has a defined, promising target market client. These clients have a longing for quality product. They are also willing to pay for the desired quality and they have the money. These characteristics are significant to both the residents, offices and schools.

Effective marketing combined with an optimal product offering is critical to the Amazon Interiors' success and future profitability. The owner possesses solid information about the market and knows a great deal about the common attributes of those that are expected to be prized and loyal clients. This information will be leveraged to better understand who Amazon Interiors will serve, their specific needs, and how to better communicate with them.

4.1 Market Segmentation

The following are classes of Amazon Interiors clients:

- **Households:** House owners and residents need their home to look and feel the way they would have it. Therefore they need interior decoration services as well as furniture, drapery and a host of other decorative accessories.
- **Offices:** offices and business complex consult interior decorators for choice of colour, design and accessories that are professional and quality.
- **Schools:** Schools have gone from ordinary buildings to fanciful, colourful, learning-aiding decoration and environments.

5.0 MARKETI NG PLAN

There is a heavy move into the interior decoration market in Port Harcourt and around Nigeria. This is due to the increase in exposure, development and technology. Therefore, there is a need to draft a comprehensive market plan that is effective.

5.1 Promotion Strategy

Amazon Interiors will employ a wide range of advertising and below-the-line communication materials. These will include; fliers, television commercials, t-shirts, public relations programme, and others. Art competitions would be used to create awareness of our brand amongst schools. Winning schools get discount interior decoration.

5.2 Marketing Strategy

Every business needs a strategy to keep them going. Primary sales and marketing strategy for Amazon Interiors include;

- A premier interior design consulting experience that provides impressive client service throughout.
- The sale of other complementary products that adds value for the client's total experience.
- Providing experience that will result in repeat business for home and/or office needs and client referrals.

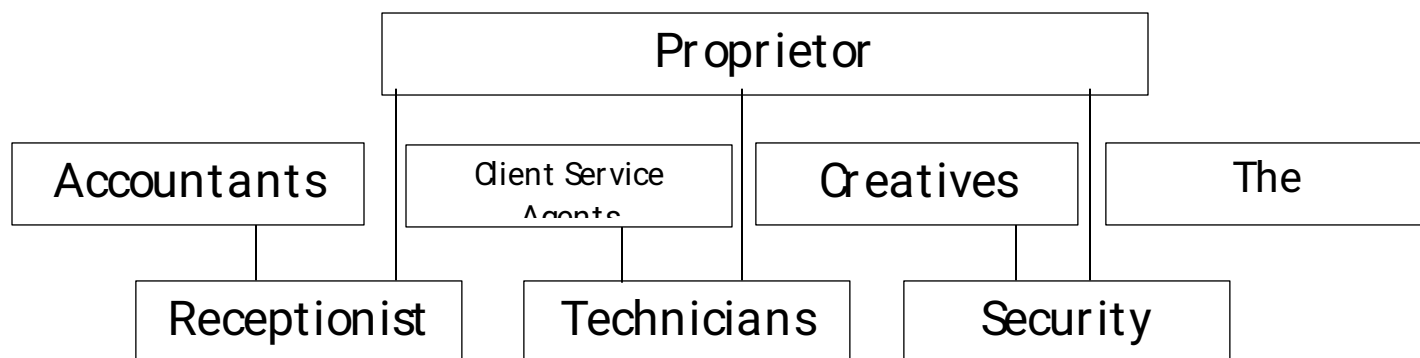
6.0 MANAGEMENT AND ORGANISATION

Amazon Interiors is a sole proprietorship business. However, a basic managerial structure will be used for easy discharge of duties. Every other unit and unit head will be answerable to Essienubong Abasbiangake, the business owner.

Table 1: Management and Labour Compliments

S/N	Position	No. of Staffers	Annual Salary per Staff (₦)	Total(₦)
1.	Proprietor	1	400,000	400,000
2.	Accountant	2	300,000	600,000
3.	Client Service	2	200,000	400,000
4.	Creatives	3	180,000	540,000
5.	Digital	2	150,000	300,000
6.	Receptionist	1	80,000	80,000
7.	Technical	2	80,000	160,000
8.	Security	2	50,000	100,000
	Grand Total			2,580,000

Figure 1: Organisational Structure of Amazon Interiors



6.1 External Support

Amazon Interior will work in hand with furniture makers, fabric suppliers and paint industries.

6.2 Value and Norms

1. To Offer client and structure- friendly interiors and consulting.
2. To give clients opportunities to participate in the decoration while guiding them through.
3. To sell quality materials and item durable over time.
4. To employ deep creativity and ingenuity in decorating at all times.

LEGAL, ENVIRONMENTAL, SOCIAL AND REGULATORY ISSUES

7.0 Legal Issues

Amazon Interiors will be registered as a sole proprietorship business. Registration will be under the situated Local Government Area. The business will also be registered with the state government under businesses in the state. For legal issues, we will consult legal consultants as the matters arise.

7.1 Environmental

Basically, interior decoration has no harmful effect to the environment. Out out waste pieces from fabrics will be recycled as decorative materials.

7.2 Social

Amazon Interiors will play a socio- economic role of job creation. Job creation will result to life improvement and wealth creation.

7.3 Regulatory

There are almost no regulations binding on interior decoration. Amazon Interiors will keep to whatever regulations may ever come up.

8.0 Risk Analysis

8.1 SWOT Analysis

The following SWOT analysis captures the key strengths and weaknesses relating to the market analysis summary and describes the opportunities and threats facing Amazon Interiors.

8.1.1 STRENGTHS:

- The proven ability to establish excellent personalized client service.
- Strong relationships with suppliers that offer flexibility and respond to special product requirements.
- Good referral relationships with architects, complementary vendors, and local realtors.
- Client loyalty developed through a solid reputation among repeat, high-dollar purchase clients.

8.1.2 WEAKNESS:

- The owner is still climbing the "retail experience learning curve."
- Not established in a market where a variety of interior design options exist.
- Challenges of the seasonality of the business.

8.1.3 OPPORTUNITIES:

- A significant portion of our target market is desperately looking for the services Amazon Interiors will offer.
- Strategic alliances offering sources for referrals and joint marketing activities to extend our reach.
- Promising activity from new home construction activity.

- Changes in design trends can initiate home updating and, therefore, generate sales.

8.1.4 THREATS

- Continued price pressure due to competition or the weakening market reducing contribution margins.
- Dramatic changes in design, including fabric colors and styles can present challenges to keep paced with what is desired by what is expected to be a leading - edge client base.
- Expansion of products and services offered by other sources including national discount stores into the local market including Target, Bob's discount, and Home Depot.
- Catalog resources, including Calico Corners and Universal designs, with aggressively priced trend- setting fabric products including drapery, bedding and slipcovers.

This analysis indicates solid potential success, but the weaknesses and threats must be recognized throughout the life of the venture.

8.2 Exit Strategy

Amazon Interiors does not plan to leave the market any time soon. Instead, it will build a lasting image and brand personality.

9.0 COMPANY FINANCIAL

9.1 Fixed Capital Investment

Amazon Interiors located at 15, Aeroplane drive, Abuloma, Port Harcourt. The table below indicates how

9.2 Start- Up Assets

S/N	ITEM	COST (₦)
1.	Land	1,500,000
2.	Building	2,000,000
	Total	3,500,000

9.2 Start- Up Expenses

A. Fixed Capital: This is all the equipment and machines to be used in the business

S/N	ITEM	COST (₦)
1.	Legal	75,000
2.	Stationery etc.	127,500
3.	Brochures	63,000
4.	Upholstery	500,000
5.	Fabrics	600,000
6.	Bus	500,000
7.	Ladders and metal rails	50,000
8.	P.O.S Machine	10,000
	Total	1,925,500

B. Working Capital

S/N	ITEM	COST(₦)
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1.	Salaries	2,580,000
2.	Transportation	186,000
3.	Advertising and Promo	200,000
4.	Insurance	20,000
5.	Electricity	50,000
6.	Utilities	30,000
	Total	3,066,000

9.3 Current Assets

S/N	ITEM	COST (₦)
1.	Cash at Hand	3,000,000
2.	Raw Materials	5,000,000
	Total	8,000,000

9.4 Total Start- Up Capital

Start- up assets: 3,500,000

(Start up expenses)

Fixed capital: 1,925,500

Working Capital: 3,066,000

Current Assets: 8,000,000

Total: ₦16,491,500

9.5 Sources of Start up Capital

S/N	ITEM	COST (₦)
1.	Holder's Equity	3,000,000

2.	Family Support	2,500,000
3.	Bank Credit	10,000,000
4.	Sale of Assets	1,000,000
	Total	16,500,000

9.6 Important Assumptions:

The following captured critical assumptions will determine the potential for future success.

- A healthy economy that supports a moderate level of growth in the market.
- The ability to support a gross margin percentage in excess of 65% .
- Keeping operating costs low, particularly in the areas of product purchases on going monthly expenses.
- Receiving an initial payment for each project of 50% of estimated time and product purchases and collecting the balance of these revenues within 45 days of completing each project.

9.7 GENERAL ASSUMPTIONS			
	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	9.50%	9.50%	9.50%
Long-term Interest Rate	8.50%	8.50%	8.50%
Tax Rate	28.17%	28.00%	28.17%

Other	0	0	0

9.8 Break- even Analysis

The break- even analysis below is expressed as a per- client unit. This is based on average hourly billing, product sales, and costs per transaction.

Break- even Analysis	
Monthly Revenue Break- even	₦ 610,050
Assumptions:	
Average Percent Variable Cost	32%
Estimated Monthly Fixed Cost	₦ 14450

9.9 Financial difficulties and risks:

- Slow sales resulting in less than- projected cash flow.
- Unexpected and excessive cost increases compared to the planned expenses.
- Overly aggressive and debilitating actions by competing designers.
- A parallel entry by a new competitor further diminishing revenue generation potential.

Worst case risks might include:

- Determining the business cannot support itself on an ongoing basis.
- Dealing with the financial, business, and personal devastation of the venture's failure. Survivable but painful.

9.10 Key Financial Indicators:

The key financial indicators focus on cash flow. There is virtually no inventory but late payments for completed jobs will be a concern. Timely billing and collection will be critical. All expenses are tracked on a monthly basis, recorded in the accounting software, and will be compared to our business plan budget.

10.0 Other Considerations and Conclusion

10.1 Economic Justification

Amazon Interiors from research findings is a profitable business with promising revenue. It will not only serve as a source of income for the workers but will also contribute to the Federal revenue by tax payment.

10.2 Commercial Viability

Commercial viability refers to the ability of Amazon Interiors to stay profitable over time. Study shows that Amazon Interiors can achieve that if managed properly.

10.3 Conclusion

In conclusion, Amazon Interiors is a profitable and viable business to be established.