

The background of the entire page is a dark, moody photograph of three lit candles. The candles are in various stages of being lit, with their flames glowing in a warm, orange-yellow light. The background is a deep, dark blue or black, which makes the light from the candles stand out. The overall atmosphere is calm and serene.

Business Plan

HAVANAH' BLISS

Relax. Breathe. Unwind

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Business Overview

Havanah's Bliss has is a fragrance business that intends to be based in Pennsylvania, USA and established for the purpose of catering to clients that are both domestic and foreign in nature. We also intend to sell unique candles and fragrance oils to cater to our teeming customers.

Havanah's Bliss has been around since 2017. We aim to create unique scents that can both invigorate and soothe your senses. Our selection of candle melts provides pocket-size aromatherapy solutions that can inject life into any space. Carved by hand from a natural wax they provide an organic alternative to synthetic air fresheners. Our products are more fragrant than candles, reusable and clean burning. Each is infused with a mix of essential oils to bring a gorgeous scent into every inch of the space.

To this end, we have employed the best professionals who have the necessary vast experience needed to run and grow the business. We intend to ensure that our professionals become the best in the field by constantly offering training them to upgrade their skills. Retaining our customers is a very strong suit for us and so we have strategies in place to ensure that our customers remain happy with our products and services. This can be achieved if we employ the best customer service executives who are adept at handling orders, promptly attending to complaints and inquiries. We also intend to provide a listening ear to our clients for feedbacks that will help make the company progress.

Strategic Intent

Vision

Our vision is to have our fragrance in every household in and around Pennsylvania, the whole United States and in extension the world.

Mission

Our mission is to ensure that we sell fragrance oils that not only exceed our domestic customer's expectations but also intrigue the senses of our business customers and make them strive to build a sustainable relationship with us.

Business Structure

As a business that knows the intention for which it was established, we intend to ensure that everything as regards our business structure is gotten right because we know how important this aspect is to a business, and why getting it right will save us from many futuristic challenges that might crop up.

The second most important component after financial resources is the human resources, as they are capable of either growing the business or running it to the ground regardless of how much start-up capital was pumped into the business.

Finding capable and experienced hands therefore is very essential and it is something we intend to take seriously when we employ those who will help us run the business. We will ensure that we only hire people who are qualified, honest, customer centric and are ready to work to help us build a prosperous business that will benefit all the stake holders (the owners, workforce, and customers).

Our Products

Havanah's Bliss intends to deal in all sorts of unique candles and fragrance oils. We will ensure that we constantly carry out researches so as to make new rare products that will stimulate the senses of our various clients. Our products portfolio can be categorized as follows;

- Woodsy collection
- Floral collection
- Fruity collection
- Fresh collection
- Winter wonderland
- Electric warmer

Visit to www.havanahsbliss.com for more details of our products

Target market

Everyone wants to reek of a good fragrance business as this is what stands them out and boosts their confidence as well, and so our target market will not be restricted to basically just a few people. We intend to sell unique candles and fragrance oils for everyone who loves to smell good and even for those who want to try out fragrances that are adventurous. Our location in Pennsylvania makes us quite suitable to ensure that our vision for this materializes.

Knowing how important it is to stand out in this market and be amongst the top leading brands, we have conducted a thorough market survey so as to know what will be required from us by our target market. We have identified our target market and broken them down into definable categories that will help our marketing and customer care executives better attend to them whilst carrying out their tasks.

Primacy Target Market

- Middle class level women between the ages 25 years to 45 years

Secondary Target Market

- Celebrities
 - Business People
 - Corporate Executives
 - Students
 - Fragrance products distributors
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Market trends

The fragrance products selling industry is one that looks a bit saturated with only few brand names making it to the top in the industry. As a result of this fact, we intend to ensure that we constantly engage in research and development that will see to the growth of not only for our fragrance line but for the company as a whole.

We know that to remain afloat we must sell unique candles and fragrance oils that will intrigue the senses of our customers and set us apart from other production companies. Another trend is in ensuring that we do not sell only one range and line of fragrance by sticking to just candles but sell fragrance oils as well, for clients who like a whole range or who prefer candles and fragrance oils.

Knowing what to produce was done after we carried out a feasibility study and a thorough market survey. Lastly, we know how important customers are to a company and how important it is for a company to be close to its customers. This we intend to do by deploying several means to keep in touch with our customers.

Marketing Strategies

Marketing is a very important aspect of any business because without it your wonderful business is likely to crash, especially as marketing helps generate revenue to help make the business a going concern. Before marketing strategies can be drafted, a market survey is necessary so as the necessary information can be garnered that will help produce sound strategies. The intention of marketing strategies is to ensure that our products that are likely to be offered meet with the needs of our customers, whilst also maintaining our sustainability and expansion goals and objectives.

Our marketing strategy intends to help serve a dual purpose which is to ensure that our brand is identified and the benefits of our products communicated to our customers both existing and potential. Our marketing strategies at Havanah's Bliss will leverage on the below strategies to ensure that our products are effectively marketed;

- Ensure that our fragrance selling business is adequately advertised in magazines, local newspapers etc.
 - Make use of our official website to market our business as well as advertising our business on other relevant websites
 - Ensure our fragrance business is listed in online and offline directories
 - Empower our marketing team to engage in direct marketing
 - Share our fliers and handbills in various strategic areas
 - Encourage our loyal customers to participate in our referral programs
 - Use our social media platforms such as Facebook and Google Plus to sell our products and sales
 - Ensure we give out free samples anytime we create a new candle and fragrance oils.
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SWOT Analysis

Strengths

Our strengths are numerous and lie in the fact that our excellent customer service is top notch as we run one that is not only flexible but personal to each clients leading to a high retention rate for our company. Also, we have employed professional hands who have specialist skills added to vast experience that will not only help in ensuring the company operates efficiently but also grow to enviable heights. In addition to that we have unique and high quality candles and fragrance oils products portfolio compare to market competitors.

Weakness

Due to the rising costs of production, financial resources might act as an impediment to our fast growth. Also, since we are relatively new in the industry, and with the stiff competition in Pennsylvania, our weakness lies in the fact that we do not as yet have an established reputation. To combat this, we would need to roll out effective publicity and advertising strategies that will ensure that we garner positive attention.

SWOT Analysis (Contd.)

Opportunities

The opportunities in this field are numerous. The internet is one of the opportunities we intend to explore for our fragrance business and to use in penetrating the market. There is also boundless opportunity in the business aspect and Pennsylvania has a lot of such people and we are poised to take our share of these market.

Threats

Threats always abound for any business either new or existing. The arrival of new competitors to same location, the emergence of imitation and a downturn in the economy are all threatening factors that are likely to affect our business. However, there are strategies in place to combat these threats.

PESTEL Analysis

Political

Political instability of global market will adversely impact to the strategic decisions of business.

Economic

Higher inflation rates and changes in fiscal policies impact to the operational and non-operational business decisions.

Social

Increases of population will increase the market demand for the product.

Technology

Technological developments can be used to perform marketing activities through social medias and enhance the popularity of social media to communicate with people.

Eco-logical

We use green growth strategies to reduce the adverse implications to natural environment from business operations.

Legal

Tax compliances need to be full filled as per the government regulations.

Competitive Advantages

Due to the fact that there are several fragrance sellers in existence, achieving our vision of becoming a leading brand in Pennsylvania and in the United States won't come easy. It is due to this fact that we have drafted several competitive advantage strategies that will ensure that we not only compete favorably with our competitors in the same field but that we achieve our goals and objectives as well.

One of our first competitive advantages is to ensure that we employ only those who have the experience and the necessary capability in working in and running a fragrance products selling business. Our chemist for instance would not only know how to mix several scented essential oils to achieve a fragrance but look towards achieving a mix of rare fragrances in line with the company's vision of offering customers unique candles and fragrance oils that will intrigue the senses.

Another competitive advantage is also in ensuring that our staffs work in the best possible environment, while also having one of the best welfare packages required in the business. We would make sure that we also reward hard work by promoting staffs as and when due so as to improve their overall productivity rate.

We intend to ensure that our customer service is second to none and so we intend to employ professionals who not only have a vast knowledge of the fragrance industry but are also equipped with listening ears and an attention span that would ensure that all customers are patiently attended to.

Sales Forecast

Due to the fact that people would always want to smell good no matter the occasion, this therefore means that there will always be a demand for candles and fragrance oils.

Our sales projection weren't carried out by us alone as we hired a reputable business consultant who used accurate research prediction variables that allowed us make the sales forecast that we came up with. The information for the analysis were gathered in Pennsylvania and in major parts of the United States and used statistics from start-ups especially those in the fragrance products selling industry.

Therefore we can safely say that the sales projection below for Pennsylvania is accurate based on certain factors such as our location and our products line:

First Fiscal Year-: \$148,229

Second Fiscal Year-: \$177,875

Third Fiscal Year-: \$213,450

N.B: It is safe to say that the projection done for our company is based on may assumptions which are that the economy would continue to grow favorably and that there won't be any new major competitor into same location within the projected sales forecast period above. Any slight change in these factors might result in a higher or lower change in figures.

Profit & Loss Statement

Description	Year 01	Year 02	Year 03
Revenue			
Button collection sales	\$89,595	\$107,515	\$129,017
Oil collection sales	\$37,617	\$45,141	\$54,169
Diffuser sales	\$4,994	\$5,993	\$7,191
Electric warmer sales	\$9,000	\$10,800	\$12,960
Tea light warmer sales	\$3,554	\$4,265	\$5,118
Water diffuser sales	\$3,468	\$4,162	\$4,994
	\$148,229	\$177,875	\$213,450
Direct Costs			
Button collection cost of sales	\$15,980	\$19,176	\$23,011
Oil collection cost of sales	\$7,310	\$8,772	\$10,526
Diffuser cost of sales	\$1,956	\$2,348	\$2,817
Electric warmer cost of sales	\$2,700	\$3,240	\$3,888
Tea light warmer cost of sales	\$718	\$862	\$1,034
Water diffuser cost of sales	\$819	\$983	\$1,179
	\$29,483	\$35,380	\$42,456
Gross Profit	\$118,746	\$142,495	\$170,994

Profit & Loss Statement (Contd.)

Administration expense			
Directors' remunerations	\$23,400	\$25,740	\$28,314
Independent contractors	\$4,575	\$5,033	\$5,536
Social security	\$1,451	\$1,596	\$1,756
Medical expense	\$339	\$373	\$410
Federal Unemployment Tax (PUTA)	\$210	\$231	\$254
State Unemployment Tax (SUTA)	\$1,208	\$1,329	\$1,462
Other salaries and wages	\$8,500	\$9,350	\$10,285
Utilities related expense	\$3,000	\$3,300	\$3,630
Office administration expense	\$1,200	\$1,320	\$1,452
Website maintenance cost	\$1,500	\$1,650	\$1,815
Rental expense	\$1,000	\$1,100	\$1,210
Other administration expense	\$500	\$550	\$605
	\$46,883	\$51,571	\$56,728
Sales and marketing expense			
Online marketing expense	\$4,000	\$4,400	\$4,840
Offline marketing expense	\$3,000	\$3,300	\$3,630
Other sales and marketing expense	\$1,000	\$1,100	\$1,210
	\$1,000	\$1,100	\$1,210
Other expense			
Miscellaneous expense	\$2,500	\$2,750	\$3,025
	\$2,500	\$2,750	\$3,025
Operating Profit	\$68,363	\$87,074	\$110,031

Assumptions

01. Year to Year sales quantity growth rate is 20%
02. Year to Year operating expense growth rate is 10%.
03. There are no changes of per unit price and per unit cost of sales during Year 02 and Year 03.

Balance Sheet

Description	Year 01	Year 02	Year 03
Non-current assets			
Cost - Furniture, fittings and tools	\$7,500	\$7,500	\$7,500
Cost - Computer equipment	\$5,000	\$5,000	\$5,000
	\$12,500	\$12,500	\$12,500
Acc. Depreciation - Furniture, fittings and tools	-\$1,500	-\$3,000	-\$4,500
Acc. Depreciation - Computer equipment	-\$1,000	-\$2,000	-\$3,000
	-\$2,500	-\$5,000	-\$7,500
Current assets			
Inventory	\$2,948	\$3,538	\$4,246
Cash and cash equivalents	\$52,066	\$138,380	\$246,999
Trade receivables	\$14,823	\$17,787	\$21,345
	\$69,837	\$159,705	\$272,590
Total assets	\$79,837	\$167,205	\$277,590
Equity and reserves			
Stated capital	\$10,000	\$10,000	\$10,000
Retained earnings	\$68,363	\$155,437	\$265,467
	\$78,363	\$165,437	\$275,467
Current liabilities			
Trade payables	\$1,474	\$1,769	\$2,123
	\$1,474	\$1,769	\$2,123
Total equity, reserves and liabilities	\$79,837	\$167,205	\$277,590

Assumptions

01. Useful life of non-current assets is 5 years.
02. Trade receivables position is 10% from revenue.
03. Trade payables position is 5% and inventory position is 10% from total direct costs.
04. 100% retention ratio within first 3 years period.

Cash Flows Statement

Description	Year 01	Year 02	Year 03
Operating cash flows			
Operating profit	\$68,363	\$87,074	\$110,031
Depreciation	\$2,500	\$2,500	\$2,500
Adjustments:			
Inventory	-\$2,948	-\$590	-\$708
Trade receivables	-\$14,823	-\$2,965	-\$3,557
Trade payables	\$1,474	\$295	\$354
Net operating cash flows	\$54,566	\$86,314	\$108,619
Investment cash flows			
Purchase of non-current assets	-\$12,500	Nil	Nil
Net investment cash flows	-\$12,500	Nil	Nil
Financing cash flows			
Equity finance	\$10,000	Nil	Nil
Net financing cash flows	\$10,000	Nil	Nil
Total net cash flows	\$52,066	\$86,314	\$108,619
Opening balance	Nil	\$52,066	\$138,380
Closing balance	\$52,066	\$138,380	\$246,999

Pricing Strategy

We intend to sell the rarest and best quality of fragrance oils and candles and as such will need to ensure that we get the right price that will cover all costs – overhead and operating, which also includes packaging and inventory. We would ensure that our pricing packages are categorized so that it would be affordable to the clients that fall into that category. Also, our pricing will be determined by the size of the products we intend to sell.

This does not mean that we would set a price that will not allow us compete favorably in the market against our competitors. We will during the first few months of operation strive to ensure that we sell at a lower price than what our competitors in Pennsylvania would be offering to their customers, this is so as to be able to attract the required customers that we would need to us.

Operation Management Strategies

Small-business owners face an ongoing challenge in trying to balance the need to serve customers and meet long-term business objectives while at the same time controlling the cost of doing business. A strategic cost management strategy in which cost decisions are made according to the value they add to both the business and the customer is often the most effective strategy a small business can adopt. Achieving these objectives, however, requires consideration of both actual and opportunity costs, or the costs involved in choosing one option over another.

Although a great many of a business's cost-based decisions involve purchasing, pricing and inventory management, it's also important for every small-business owner to consider costs involved inside the business. The balanced scorecard approach is a strategy a business owner can use to ensure the goals, objectives and activities performed within each department align with the business's strategic goals and add value to the business. A balanced scorecard measures four key perspectives: financial, customer, internal business processes and employee growth and development. Each works to identify areas where business decisions help departments control costs while at the same time increase efficiency and profitability. The process ultimately can increase customer satisfaction and help the business increase its market share.

Capital Management Strategies

In general, short-term interest rates are cheaper to long-term interest rates because of the term premium. That means short-term has lower interest cost and higher profitability whereas long term has higher interest cost and lower profitability. Especially, when the long-term funds are utilized to finance the working capital, unnecessary interest is paid for the periods when the funds are not utilized. In essence, the short-term financing wins the race if profitability is the concern. Let's now look at the risk concern.

We have identified that there are two risks involved in short-term financing viz. Refinancing Risk and Risk of Interest Rate Fluctuations with Refinancing. Refinancing is very uncertain and if the lender denies it for any reason, the options left to the borrower for making payment is either to sell off the assets and pay or file for liquidation if failed to realize the assets. The risk of adverse change in interest rate, while refinancing may increase the cost of financing and this risk, leads to low profitability. On the contrary, long-term financing neither has to refinance risk nor the risk of change of interest rate frequently. Here, the long-term financing wins the race.

Human Resource Management Strategies

Evaluating our current HR capabilities will enable us to understand the employees we have and how they contribute to fulfilling our goals and objectives. Additionally, we should also undertake a skills inventory for every employee. Skills inventories help us to discover which employees are experts in particular areas. It also helps us to identify the employees who have an interest in being trained in a particular aspect of our company. A great time to assess skills is during a performance review. However, the traditional performance review is dying.

HR personnel should decide on a timeline to carry out a strategic HR management review. This review will track the progress made and also identify areas for improvement. The review should be measured against whether changes are helping our company to achieve their goals. Corrective action must be taken if strategic human resource management is failing to meet its objectives.

Growth & Sustainability Strategies

Every established business with serious owners know that it is important to have strategies that would ensure that not only will be the business be sustained but also prepped for steady expansion and this can only be achieved if certain factors such as capable employees, loyal customers are in place.

At Havanah's Bliss , we intend to build a company that becomes a leading brand in the industry and this can be possible if we apply certain measures to ensure that this becomes a reality. One way by which we intend to ensure we retain our customers is by always coming up with fragrances that will appeal to a large section of our target market.

We also intend to employ a referral system that will award our loyal customers, while also rolling out programs that rewards our customers from time to time. Another area we intend to invest in is in our employees. We intend to source for and recruit the best and experienced professionals who understand how to help grow a business, and who would understand and key into our vision of becoming a reckoning force in the industry.
