

Inscription

a message without using words

Final Business plan

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1. Executive Summary

1.1 *The Opportunity*

Decorating the human body with jewellery is something the Romans already did way before Christ. Wearing jewellery is the ultimate way to stand out and express yourself. By choosing specific jewellery, people can create an image that fits their personality. Next to that they can stand out as an individual.

Because of an upcoming need for individualization and the fact that people more and more want to individualize themselves, we came up with '*Inscription*', a bracelet through which you can express your own (or your loved ones) characteristics.

1.2 *Implementation*

With the Inscription bracelet, people can put together their own unique bracelet. In this way the Inscription bracelet is the perfect gift for yourself, or someone you love, by the message that goes behind the different bracelets.

The Inscription bracelet consist out of a basic set of 1 basic (natural) bracelet with two little bracelet locks at each end. There are 15 additional strands which the customer can add to the original basic set (which has to be bought first in order to expand).

All of the strands are different from each other in terms of beading, and the beads (which are natural stones) each have different natural meanings. Every time the customer is buying an Inscription piece, it has to be an experience. Each strand will have its own meaning and each strand will be wrapped in a special Inscription gift bag.

If you do not buy the Inscription bracelet or strand(s) for yourself but as a gift for one of your friends or for a family member, it is even more fun. When you will give the bracelet to your loved one, she will be very grateful for the effort you have put into buying a personal gift. The unwrapping will be very exciting because of the fact that it's unclear which one of the 15 different strands will be in the gift bag. Every strand has a little card attached to it, which will explain the meaning of the particular strand. In that way, the receiver can read how you feel about her by reading that particular card which will explain which characteristic the given strand stands for!

There will be two ways to get the Inscription bracelet. The bracelets will be available in several stores throughout the Netherlands, and soon the Inscription website will be online with a webshop where the bracelets can be bought too.

1.3 Value Proposition

Newness

Our collection consists out a basic set and 15 different strands. The basic set and simple strands will be available in silver and gold. The basic set will consist out of a small booklet and a silver or golden simple strand. This strand has no meaning and it useful to add other strands on it. In the booklet the customer can find information about the brand and the meanings of the different strands. This information can also be found on our website (which is not online yet), inscription-jewellery.com. Each strand holds natural stones that represent characteristics. There will be a small card attached on every strand with a description of the associated characteristic. By getting these strands as a gift, the bracelet could be a beautiful representation of your personality.

Customization

People today have the urge to individualize. Here we want to respond by using different strands with different meanings. Because our collection contains 15 different strands each person could create their own bracelet. Customers could collect six strands on one bracelet. Not every bracelet would look the same, because not everyone gets the same strand as a gift.

Second, a popular trend now is that people love to wear more bracelet on one arm. Inscription respond to this trend, because inscription makes it possible to add more strand on a bracelet. The customer could wear six strands on one bracelet, but it is also possible to wear more bracelet on one arm. The customer could choose how many strands you want to wear.

Design

The strands are small and not to obvious. We choose especially for this look, because in this way it's easier to combine an Inscription bracelet with other jewellery or clothes. The second reason is because we want to design a jewellery that people can wear for a long time. The look of the Inscription's bracelets makes this possible. The bracelets are available in silver and gold. In this way there will be something for everyone.

Brand/status

We want to create a trendy brand with fashionable jewellery. In various ways we want to reach this. For example, we spent a lot of time and money to find the best products for our bracelets. We also hiring a photographer for our photo shoot and shop a lot of trendy clothes to get the maximum out of it. The photos from the photo shoot will be used in different ways. People could find photos on the website, social media sites, the

booklet and in different shops. We are also are trying to get some photos of our brand in magazines like Gracia. We are using our network to make different people familiar with Inscription. It's important that we not using products like other brands but that we are creating a new trend.

Price

The price for the basic set is 15 euro. The price range from the strands will vary between 15 and 30 euro's. The price of the strands will depend on the materials used. We want to sell the bracelets in our webshop, but also in high segment clothing shops with a margin of 2,0. This is a normal margin for jewellery.

With this price range we position Inscription in a cheaper zone than our competition (Pandora & Noosa). Besides that it is a good price for gifts, which initially is our concept.

1.3 Key to success

In our venture there are three major keys to succes. The first major key to succes is marketing the Inscription brand. This concludes that Inscription actively approaches potential customers by Facebook, email, talking to different people and customers from our different selling points. The second major key is product design. We offers the customer a fashionable product for a affordable price. With this product people could transfer a message without using words. The customers are not required to buy expensive jewellery, they are able to experience something special just for an affordable price. The third major key to succes is is establishing the appropriate sales channels (and retail partnerships). It's important to have different selling points in different cities, so that we could reach a lot of people. To find the appropriate sales channels we offer the retailers all the things needed to sell our product, like for example: presentation material, small bags and paper to wrap the bracelets as a gift. This means that we only ask for some space to sell *Inscription*. And we only let the retailers pay us when something is sold. The risk for the stores will be minimal.

2. Table of contents

3. Introduction	6
4. The product.....	7
4.1 <i>Product Features</i>	7
4.2 <i>Production Process</i>	7
4.3 <i>Costs and Pricing</i>	7
5. Market and industry analysis.....	8
5.1 <i>Target Market</i>	8
5.2 <i>Industry analysis</i>	9
5.2.1 <i>DESTEP Analysis</i>	9
5.2.2 <i>General market factors</i>	11
5.2.3 <i>Five forces analysis</i>	11
5.3 <i>Concluding statement</i>	13
6. Mission and strategy.....	15
6.1 <i>Marketing and Publicity Strategy</i>	14
6.2 <i>Sale Strategy</i>	14
6.3 <i>Distribution Strategy</i>	14
6.4 <i>Service Strategy</i>	16
6.5 <i>Supplier strategy</i>	16
7. Marketing mix	17
7.1 <i>SWOT</i>	17
7.2 <i>Product</i>	17
7.3 <i>Price</i>	22
7.4 <i>Place</i>	22
7.5 <i>Promotion</i>	22
8. Organizational structure	24
8.1 <i>Employees</i>	26
8.2 <i>Compensation scheme</i>	26
8.3 <i>Decision-making rules and policies</i>	26
8.4 <i>Company Ownership</i>	26
9. Financial plan	27
9.1 <i>Start-up funding</i>	27
9.2 <i>Sales forecast</i>	28
9.3 <i>Break-even analysis</i>	29
9.4 <i>Projected cash flow</i>	30
10. Appendix	31

3. Introduction

Imagine, your best friend celebrates her birthday, but as always she doesn't know what to ask, simply because she already has got everything. You'd like to give her something personal, something that tells her how much you appreciate the friendship and how important she is to you. You have a limited budget and everything you see is simply too expensive. To solve problems like this we introduce 'Inscription'. Our bracelets each represent another characteristic and are therefore very personal. By using natural stones that already represent one of these characteristics and adapt every design to this characteristic, you actually buy a bracelet to transfer a message without using words. The bracelet will be wrapped in a beautiful package, so that it's immediately ready to give to your friend. We will include a booklet with a description of each strand with the bracelets, so the receiver knows what characteristic you've given to her. After you have given this bracelet, more people can do the same for another characteristic they recognize in your friend. This way your friend gets a bracelet that reflects the personality. Our bracelets are beautiful, unique, but certainly affordable and therefore a perfect gift

4. The product

The Inscription bracelet consists out of one basic set with additional strands which the customer can add or remove from the basic set. This enables the customer to create a unique bracelet.

4.1 Product Features

A special feature that's connected to the different strands are the different meanings that go behind the several natural stone or stones which are in the middle of the strand. The amount and kind of stone or stones depend on the design of the strand. Every strand represents a different characteristic. In this way the customer not only creates a unique bracelet, but also one that reflects the personality of the one who wears it.

The bracelet will be available in silver and gold.

4.2 Production Process

We are going to produce the bracelets ourselves, because we have the skills to do that. We buy all of our materials at several wholesales, and from that moment on we start creating the basic sets and the different strands. When we eventually have too many orders to produce the bracelets ourselves we want to hire staff that can help us with the production process. We aim for keeping the production process in the Netherlands because that gives us a better insight in the way things are working out and we won't have shipping costs.

4.3 Costs and Pricing

We based the prices on our market research. One of the results from our survey was that people are willing to spend between 10 and 30 euro on our jewellery. Therefore, we decided that the prices of the several strands will vary between 15 and 30 euro for the strands. The basic set will be sold for 15 euro. We won't make a lot of profit out of this basic set, but we know when people buy this set they will also buy strands in the future (our sale strategy). The strands are the ones where we generate the most profit on. A strand will cost us, depending on the materials used, around 0,50 eurocent. We sell this strand for 7,50 to the shops. Which generates a profit of 7 euro's for the cheapest strand. The retailer will sell it for 15 euro. When we sell this strand via our webshop our profit will even bigger, because the whole selling price minus the production costs will be our profit.

5. Market and industry analysis

The Thuiswinkel Markt Monitor from the first half of 2011 shows that there is a growth in online shopping in the Netherlands¹. The research also shows that the trust of the Dutch population in online shopping increased. This is a good thing for Inscription, because our main selling point would be our website, www.inscription-jewellery.com.

Blauw Research together with Thuiswinkel.org conducted an online home shopping research. Their Thuiswinkel Markt Monitor from the first half of 2011 shows that online purchase increased till 9 billion euro's. In 2011 there were almost 78 million online orders. This means that online purchase from 2010-2012 increased with 10 percent. This growth is due to the increasing number of online orders per person. In addition, developments such as the emergence of the mobile channel and the efficient delivery makes it easier for consumers to place an order online. In 2012 the online consumer spending expected to grow to a value of 9.8 billion euros.

Figure 1.9 shows that the sales volume of retail trade compared to jewellers decreased from 2008 till 2009. This has changed since 2009. From 2009 the sales volume of jewellers increased again. This could mean for Inscription that people could buy more Inscription bracelets than other products. Also figure 2.2 shows that consumers in the Netherlands spend a lot of money on jewellery and watches. They spent almost 1.2 billion euro's on jewelery and watches in 2010.

5.1 Target Market

A market survey was conducted to find out which market to select. In total 50 respondents were sent the survey, and 46 Respondents responded. Most respondents were reached by a link to the Qualtrics survey. People could find this link on Facebook. Out of these respondents, more than 40 respondents are showed interest in our product. On a 7-point scale (from 0=not at all interested, 7=very interested) people answered almost a 5.0. This mean that mostly of the respondents are interest in our product (see figure 1.1). The main age under the respondents is 22 years old. This result complies with our expectations. Our expectations assume that our target group are woman from 18 years and older.

1

<http://www.thuiswinkel.org/nederlandstalig/1.-website/4.-over-thuiswinkel.org/persberichten/persberichten-detail/2012/maart/online-markt-stijgt-ondanks-crisis-naar-9-miljard>

A Market survey was also conducted to find out which problems, pains or needs people have. We could conclude that there is a problem to find a personal gift (see figure 1.6). On the question: 'If it's difficult to find a personal gift?' The respondents are answered on a 7-point scale (from 0=not hard at all to find a personal gift, 7=very hard to find a personal gift) a 4.04. This means that most people find it difficult to find a personal gift.

Our market research shows us that people would like to buy personal jewellery. In our case, a bracelet with a meaning. Our market research makes clear that people are willing to pay more for a bracelet with a meaning (see figure 1.7). On a 7-point scale people the main answers was 3.63, with 0= not willing to pay more money, 7= willing to pay more money). Out of our market research came that 63% of the respondents are willing to pay between 10 and 20 euros and 22% of the respondents want to pay between 20 or 30 euros (see figure 1.8).

CBS provides information about the population in the Netherlands. There are around 4 million women in the Netherlands between the ages of 20-40². People older than 40 are not excluded, but the main target group is around the ages of 18 till 40 because they are more sensitive for trends.

5.2 Industry analysis

The industry analysis is used to analyze the external environment. An industry analysis allows a company to anticipate the opportunities and threats that the industry brings. The big question is: 'How could the market influence the company?' There are different ways to answer this question.

First we explain different, important demographic, economic, socio-cultural, technological, ecological and political factors.

5.2.1 DESTEP Analysis

Demographic factors

There are different, important demographic factors that could influence the environment of your company. We could not explain all demographic factors, so we explain the most important demographic factors for our company.

Figure 2.0 shows that the age structure will change in the future. There will be less people

²

with the age between 40 and 60 years old and there will be more people with the age around 20 years. Our target group is between the ages 18 till 35. The change of age structure means for Inscription that in the future there are more people who are belong to our target group, so there are more woman who Inscription can reach.

Economic factors

There are a lot of economic factors that could have influence on our company. It's important that a company take these different factors into account. We explain the influence of different economic factors on our brand.

An important economic factor is that the net income per month increased from 1990 till 2011³. From 2009 till 2011 the net income remained the same. This could mean that people haven't less money to spend for example on products, like jewellery.

A second important economic factor is the ability of Household in the Netherlands. The ability of Household in 2011 is decreased comparing with 2010. In addition, the Household of 2011 have more debts than the Household in 2010. This could mean that people are saving more money than spending money on luxury products. Thus, it's important for Inscription to keep the price for the basic set and strands low to make the product attractive for the customer.

Third, the central statistical office determine that consumer confidence, economic climate and willingness to buy are decreasing comparing with 2011⁴. This could mean that customers spend less money. For a new brand like Inscription, it's important to create a good relationship with the customer so that they can trust you and that their willingness to buy increased.

Fourth, it's important to have a lot of selling points. The data (see figure 2.2) shows that most people live in Amsterdam, followed by Rotterdam and Den Haag. To reach a lot of people it's important to find a lot of selling points in these big cities, so that Inscription could sell a lot of strands and basic sets.

Socio-cultural factors

Women in the age of 18 – 40 years do spent a lot of money their looks. Also, women find it more and more important to differentiate themselves as the world globalize. By large retail

³ <http://www.gemiddeld-inkomen.nl/inkomens-vanaf-1970.php>

⁴ <http://statline.cbs.nl/StatWeb/publication/?VW=T&DM=SLNL&PA=7388PCR&LA=NL>

chains like H&M and ZARA which operate worldwide, people do look more and more like each other. People couldn't individualize themselves. This is something Inscription responds to, by assembling the bracelet yourself it really becomes something which is yours, something unique. The bracelet says something about the one who wears it. We also noticed that these women are very attracted to trends. Wearing a lot of different bracelets around the wrist is something you often encounter. Because Inscription is a bracelet which is created out of different strands, the same effect occurs. Inscription follows the trend but makes it a beautiful unit.

Technological factors

Because more and more people use Facebook , everything becomes less personal. People want to differentiate themselves and Inscription offers that possibility.

Ecological factors

This does not apply to Inscription because we currently do not focus on sustainability, this is a point which we can certainly look at in the future, for example we can make use of recycled products.

Political factors

At this moment Inscription has nothing to do with this. But we must keep an eye here if any changes come along.

5.2.2 General market factors

There are general market factors that could have influence on the company. For example price, growth and trends.

Jewellery could be very expensive. Especially jewellery that's made of real gold and silver. The price for jewellery made of real silver and gold could variate from hundred till thousands euros. Almost every woman or man wears jewellery but not every woman or man could spend a lot of money on jewellery. It's necessary to offer a bracelet that looks like real silver or gold, has an affordable price and is fashionable.

The grow of the company may depend on awareness. When more people are hearing about the brand, the awareness become bigger and bigger. It's important that the awareness influence on a good way, so that a lot of people want to buy the product.

For the fashion industry it's important to respond on different trends or to create a new trend.

Otherwise it's hard to become a popular brand.

5.2.3 Five forces analysis

Competitors

There are two main competitors with the idea that people can create their own bracelet. Customers can collect different pieces for the bracelet, so that they can create their own bracelet. There are more brands that offers jewellery, but not in the same way as we do. Our two main competitors are Noosa and Pandora.

Noosa

Chunks



Noosa is a brand that offers chunks, belts, bracelets, scarves and sandals. Almost each piece is made of leather with bottoms where people can put a chunk on it. Chunks are like bottoms that customers can collect and could click on their sandals, bracelets, belts or scarves. A chunk can stand for yourself or a special symbol. Each chunk has its own origin. It tells you a unique story. There are a lot of different chunks with each their own meaning.

The customer could collect different chunks and put these chunks on their clothes or jewellery. For example, the Noosa bracelets are made of naturally, tanned leather. The bracelets are available in different colors and sizes. The number of chunks that you could put on your bracelet depends on the size of the bracelet. Noosa works together with a fair trade group. The products from Noosa are always made with respect for human and nature. The price for the leather bracelet may depends on the size of the bracelet. The smallest leather bracelet is around €20. The biggest leather bracelet is around €30. The cheapest chunk cost €8 euros, but you have also chunks from €16. You can put up to four chunks on one bracelet.

Pandora

Bracelet



The second main competitor is Pandora. Pandora designs, manufactures and markets

hand-finished and modern jewelery made from genuine materials. Pandora offers charms, bracelets, earrings, rings, watches, necklaces and pendants. Pandora has a lot of selling points in different countries. Pandora also have a view website where people can sign in and found information, but if you want to buy Pandora online it's hard to find a website who makes this possible. For example, customers could buy different bracelet in different colors, like silver and gold. This is just a simple bracelet where customers can put different beads on it. These beads are also called charms. There are a lot different charms in different colors, size, whatever you want. The price for the charms differs between 20 and 400 euros. The price for the bracelet differs from 40 till 400 euros. You can put different charms on one bracelet.

Substitutes

There are more brands that offers you the opportunity to create your own bracelet, but these brands, like Noosa and Pandora are focusing on more things. There are also producing other products like sandals and earrings. Inscription is in the beginning only focusing on the bracelet. Inscription's bracelet does not capture the same concept as Pandora and Noosa, but Inscription describes different characteristics with different natural stones. Next to that, Inscription uses materials for the bracelet different than Pandora and Noosa. The look of Pandora and Noosa is very notable. The bracelets of Inscription are more subtle and elegant. It's easier to combine the bracelets from Inscription with other jewellery or clothes and because the bracelets are subtle the bracelets are more portable as well. Furthermore there are more bracelets models that are similar to Inscription, but not with the same look or meaning.

Customers

Customers can't put Inscription under a lot of pressure because they can't get the same product from someone else. As you can read above, there are some brand who look the same, like Pandora or Noosa, but Inscription is the only brand with this concept and this appearance. Also the price range from Inscription is lower than the other brands, so this makes it attractive for the customer.

Suppliers

Almost all the materials are ordered online. We used different suppliers by our first order because we found several suppliers. For the further orders we will order only by the cheapest supplier to keep the costs low. We order all the materials for the strands by a wholesaler,

because a wholesaler is convenient and cheaper than a store. We produce the booklets, cards and bracelets by ourselves, so there is no supplier who can copy our idea. All the materials we use comes from the Netherlands, so we didn't have to wait for the materials for a long time. This ensures us to produce a lot of bracelets in a short time.

New entrants

Entry barriers for jewelers are low. The risk of new entrants is big because there are a lot of brands that offers jewellery. For jewelers it's difficult to become successful. It's easier to do something else. Second, not everyone could produce their own jewellery line. We are doing the production by ourselves, so it's hard for new entrants to copy our idea or product. The cost are low, so the price for the product will not be expensive for what you get. This is a big advantage for our company.

5.3 Concluding statement

The CBS and HBD shows that a lot of people are spending a lot of money on jewellery. The HBD shows us that people are spending more money on jewellery than on other sectors. Combined with the statistics from CBS, this means that roughly 4 million woman between the ages of 20 and 40 are buying jewellery. All These 4 million woman are potential customers of Inscription. If you estimate that 1 out every 20 female jewellery shoppers between the age of 20 and 40 would buy a strand of Inscription for themselves or for a friend, Inscription can sell around 200.000 basic sets or strands. The price of a basis set is €15. This mean that when 200.000 people buy a basis set. Inscription will earn 3 million euros ($€15 \times 200.000$). Mostly people with a basis set will buy another strand so that they can create their own bracelet. The main price of one strand is €22,50. This means that Inscription earn another 4,5 million euros ($€22,50 \times 200.000$). This means a 7,5 million market.

6. Mission and strategy

Our primary mission is to get the target group of our customer acquainted with the Inscription bracelet as soon as possible. We want to get the bracelet sold in three stores by the end of April/first week of May 2012. We already have three clothing stores in the mid/high segment that are willing to sell the bracelet. From that point on (when we are going to generate profit) we want to expand to more clothing stores in the mid/high segment.

After we created a well known brand in the Netherlands, we aim for international acquaintance. In the future, the Inscription bracelet has to be an item that is a must have for women.

6.1 Marketing and Publicity Strategy

To create publicity for our new brand, we are going to make a website, a Facebook fan-page, use word-of-mouth marketing, organise contests at parties and give free bracelets to people at fashion events.

6.2 Sale Strategy

Our sale strategy starts when the customer has bought the basic set of the Inscription bracelet. So this is the most important purchase a customer can make, because from that point on she 'commits' to start collecting the strands to create her own unique bracelet. So when we know someone buys the basic set, we know that the customer is willing to buy the additional strands.

6.3 Distribution Strategy

The most important channel to get our bracelets to our target group are the stores where the bracelet is going to be sold. With the first delivery to the retailers one of us comes along to explain a few things about how to order more bracelets, and to deliver the main packaging. When the retailer wants to order more bracelets (so from the second delivery on) the bracelets will be send by mail.

Our second channel to get the Inscription bracelet to the costumer is via our webshop. When a customer orders a bracelet, that particular bracelet is directly sent to the customer by mail within 3 days.

6.4 Service Strategy

The service we will provide to our retailer is that we take full care of the wrapping materials in which the bracelets will be sold. Next to that we provide all the materials on which the Inscription bracelet is going to be presented in the store.

A service we will provide to our customers is the policy we have when something happens with a bought Inscription bracelet. When something goes wrong with the bracelet within three weeks after the customer has bought an Inscription product, she herself or the retailer where she bought the bracelet can send it back to us. We will take care of the broken bracelet, by fixing it within one week.

6.5 Supplier strategy

We get our materials from several wholesales. That makes it easy for us to switch, if we think another supplier has better materials. We deliberately made that decision, because it allows us to be flexible because we are not stuck to a contract.

7. Marketing Mix

7.1 SWOT

SWOT

<u>Strength</u>	<u>Weaknes</u>
1. Trendy product	3. No brand awareness
2. Good price	4. Low production capacity

<u>Opportunity</u>	<u>Threat</u>
1. Inscription is a personal gift for a good price_	1. There are already a lot of jewellery brands on the market
2. We respond to a need	2. The possibility that consumers do not understand our concept

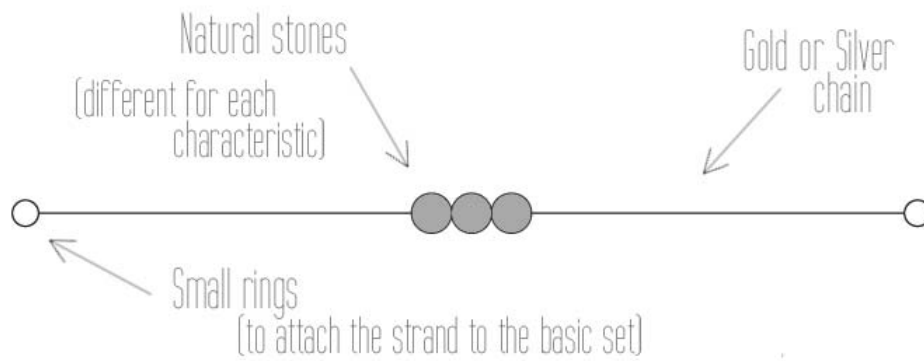
7.2 Product

The product that we will release on the market is called Inscription. Inscription stands for a bracelet through which you can describe your own or your loved ones' characteristics.

Our bracelets can each represent a unique set of characteristics and are therefore very personal. You actually buy a strand to transfer a message without using words. After you have given this strand, more people can do the same for another characteristic they recognize in your friend. This way your friend gets a bracelet that reflects their personality.

Inscription is a subtle bracelet which consists out of two small rings at the end of each bracelet and a replaceable middle piece. The customer can choose between two different colors which are: silver and gold.

Example of a strand:



We will create fifteen different strands. Every strand stands for a different characteristic which is represented by natural stones. These stones already have a meaning and we will link them to our characteristics. When somebody buys a strand, it is provided with a little card on which the characteristic is described. The basic set will be provided with a booklet. In this booklet the consumer has an overview of all strands with their own explanation. The characteristics which we will represent are:

Caring:



Elegant:



Generous:



Grateful:



Honest:



Independent:



Involved:



Listener:



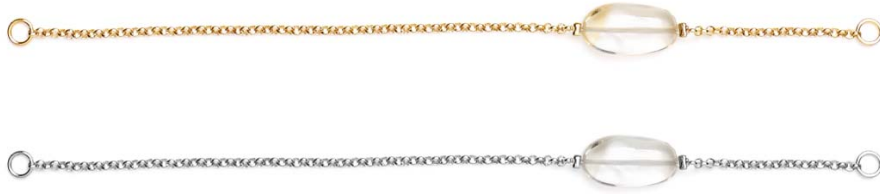
Loving:



Loyal:



Passionate:



Positive:



Sophisticated:



Trusting:



Unique:



7.3 Price

Our price range for the strands will vary between €14,95 and €29,95, this depends on the materials used and the time the strand takes to make. Some designs will be a bit more complicated to make than others. The basic set will be sold for €14,95, this we think is a good entry-level price. Once people bought the basic set they will expand their bracelet with other strands. Therefore we have chosen to keep the price of the basic set low and to have more margin on the strands.

With this price range we position Inscription in a lower segment than our competition: Pandora & Noosa. We have decided to keep our prices low because we want Inscription to be something that is more affordable for you to buy as a gift.

7.4 Place

We want to sell the bracelets in multi-brand stores with a margin of 2,0 in price. This is a normal margin for jewellery. We also want to sell in our webshop so we can keep the full profit.

7.5 Promotion

Because there are already similar products on the market, it is very important that our product is very well promoted to differentiate itself. We will use different forms of advertising and promoting, so the customer gets familiar with the brand.

We will have an extensive online presence. First, on our website people can search for background information about the brand and the product, and access pictures of different bracelets. Because of the fact that online shopping has increased significantly in the past few years, there will also be a link on our website to our webshop so people can actually buy our product. We would aim to get our webshop onto 'www.flavourites.nl'. That is a website which provides an overview of all kinds of 'trendy' webshops. Second, we will create an 'Inscription' Facebook page. Nowadays, many people join a social media site. Inscription is a new brand which not so many people know, so it's important to introduce a lot of people to the brand. By creating our own Facebook page, we want many women to become familiar with the brand. Our

potential customers can find a link to our website on our Facebook page.

We also want to promote Inscription by telling about our brand to our friends and family (take advantage of word-of-mouth advertisement), so that people who are close to us can purchase a bracelet and can show the bracelet to their friends. This ensures that a lot of people will be introduced to Inscription in a short time. In this way we will directly secure our potential customers because our friends and family fit within the framework of our potential customers.

Besides that we want to give people who are sitting at the front row of a fashion show an Inscription bracelet for free. In this way, we reach our potential customers and in addition to that we gain awareness for the brand. At our school, AMFI, there is a fashion label, which has their own fashion show at Amsterdam Fashion Week, this is one of the shows where we can promote our bracelet. Furthermore, we know some people in fashion, which can probably help us with this.

Further, through organizing a contest at parties we also want to gain awareness by using one of our bracelets as a reward. We will take different pictures of different woman during a night out. The girl who looks the best in our eyes will receive a bracelet from Inscription. After taking the picture people are receiving a business card from our brand Inscription. In this way we want to involve more women with the brand. These kind of contest are announced at our Facebook page and on our website.

8. Organizational structure



Sanne Scholten

Age: 20

Function: CEO (executive)

Study: Communication Science

Personal note: I love challenges. This minor offers a lot of challenges. With my background I learned a lot about different forms of communication, using social media and different ways of doing research. There are a lot of points to think about: entrepreneurial opportunities, creativity, and taking risk and managing uncertainty. Those are important to understand to tackle different challenges in a

positive way and can determine your ultimate success.



Britt Glas

Age: 21

Function: CFO/CSO (financial/sales)

Study: Fashion & Management

Personal note: I've always wanted to start my own company. During my study I learned that one of the things I'm good at is the financial part. That's why I fulfill the function of CFO. I've also started a few fictitious ventures during the last two years of my study. Therefore I have some experience in making businessplan's. This is good because we don't have the luxury of a business student in our team.



Anouk Roomer

Age: 20

Function: CMO (marketing)

Study: Fashion & Management

Personal note: I find it very interesting to observe what is happening in the world and how entrepreneurs play with this. What strikes me most is that the world really gets globalized and everything becomes very impersonal, and I think this is a good point to respond to. With my background in fashion, Inscription is a great way to try this. It gives me a good feeling, even if this is only something very small, to add something to the world.



Anne-May Ton

Age: 21

Function: CPO (production)

Study: Communication Science

Personal note: Since the age of 12 I am busy creating my own jewellery. So when the four of us got the idea of starting 'Inscription', it matched my hobby perfectly! Especially as the production director. Next to Inscription I am in my second year of communication science.



8.1 Employees

To keep the costs low, we want to start the business without extra employees. In the start-up phase of the company we are able to do all the work ourselves.

In the future we probably need to hire employees to make the bracelets. It is not realistic to think that we can make a few thousand bracelets ourselves. These employees will be around the age of 16 and they will work on a 'on call' basis. This means that they don't work a fixed amount of hours, but will only work if necessary. The reason that we want to hire young employees is because they're cheap, and they don't have a problem with the 'on call' contract. For our long-term strategy we want to produce our bracelets in the same way. If this fails, we must hire more specialized people. Therefore the cost will increased.

8.2 Compensation scheme

In the start-up phase of the company we will not split the total profit equally between the founders. Each of us gets 15 % of the profit. The other 40 % of the profit will stay in the company to be used as expansion fund.

We need to hire new employees in the future to make the bracelets. We will pay them per bracelet. This ensures us that the employees will work as hard as they can.

8.3 Decision-making rules and policies

We schedule our meetings twice a week. During these meetings we discuss the progress of the venture and our planning for the next days. It's important to meet a few times a week, because it ensures us that we still are at the same level.

The four of us all have equal vote on decision-making and policies. Because we are with four, it might happen once in a while that voting leads to a deadlock. When this happens, our CEO will make the final decision.

8.4 Company Ownership

We all invested an equal amount of money into the venture (25% of the start-up costs). Because we did not make use of external investors to start the venture, we can equally divide the company in parts of 25 %.

9. Financial plan

In this chapter the financial plan is outlined. The sales forecast, start-up funding, cash flows and income statements are presented.

9.1 Start-up funding

The start-up fund will consist out of the costs we need to make to get our bracelets in the first three stores, for example: presentation material for in the stores, booklets and materials to make the bracelets. To start-up Inscription we invested the required €600,63 ourselves. This investment was equally divided between the four of us. We decided not to look for outside investors, because we didn't want to give away a part of the company for such a low investment.

We want to use the profit out of the sales in these stores to expand to more stores. In this way we keep the investment low and we need no other investors.

Costs of the bracelets	
<i>Materials</i>	€ 389,90
Total costs bracelets	€ 389,90
Costs presentation material	
Small cards for each strand	€ 5,00
Organza bags	€ 13,80
Presentation	€ 14,00
Stickers	€ 27,93
Booklets	€ 100,00
Total costs presentation material	€ 160,73
Fixed costs	
<i>Webshop/website</i>	€ 50,00
Total fixed costs	€ 50,00
Total costs	600,63

Table 1

9.2 Sales forecast

The sales forecast consist out of two parts: the wholesale and the webshop part. The wholesale part shows that we expect a sales of 940 pieces of the basic set and 1.880 strands. We based this on the expected sales of 3 pieces (1 basic set & 2 strands) per store per day. Our goal at the end of this year is to have 20 points-of-sale.

This means 20 basic sets per day, 6 days a week, 12 weeks per quarter of a year. For the strands it's the same.

For the sales forecast of the webshop we also expect to sell 1 basic set and 2 strands a day. The sales will double every quarter in 2012. From Q1 2013 the sales will increase with 10%.

In these calculations we've taken the increase in VAT (21%) which will start in October 2012.

In the appendix figure 3.0-3.5 you can find the sales forecasts for 2013-2015.

Shops 2012

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec
Basic set				
Sales	0	24	240	480
Average selling price	€ 14,95	€ 14,95	€ 14,95	€ 14,95
Turnover	€ 0,00	€ 358,80	€ 3.588,00	€ 7.176,00
Costprice	€ 0,82	€ 19,68	€ 196,80	€ 393,60
Margin stores	€ 0,00	€ 179,40	€ 1.794,00	€ 3.588,00
Grossmargin	€ 0,00	€ 159,72	€ 1.597,20	€ 3.194,40
Strands				
Sales	0	48	480	960
Average selling price	€ 19,95	€ 19,95	€ 19,95	€ 19,95
Turnover	€ 0,00	€ 957,60	€ 9.576,00	€ 19.152,00
Costprice	€ 0,56	€ 26,88	€ 268,80	€ 537,60
Margin stores	€ 0,00	€ 478,80	€ 4.788,00	€ 9.576,00
Grossmargin	€ 0,00	€ 451,92	€ 4.519,20	€ 9.038,40
Total turnover	€ 0,00	€ 1.316,40	€ 13.164,00	€ 26.328,00
Total profit incl. VAT	€ 0,00	€ 611,64	€ 6.116,40	€ 12.232,80
Total profit excl. VAT	€ 0,00	€ 495,43	€ 4.954,28	€ 9.663,91

Webshop 2012

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec	Total
Basic set					
Sales	0	28	56	112	
Average selling price	€ 14,95	€ 14,95	€ 14,95	€ 14,95	
Turnover	€ 0,00	€ 418,60	€ 837,20	€ 1.674,40	
Costprice	€ 0,82	€ 22,96	€ 45,92	€ 91,84	
Grossmargin	€ 0,00	€ 395,64	€ 791,28	€ 1.582,56	
Strands					
Sales	0	56	112	224	
Average selling price	€ 19,95	€ 19,95	€ 19,95	€ 19,95	
Turnover	€ 0,00	€ 1.117,20	€ 2.234,40	€ 4.468,80	
Costprice	€ 0,56	€ 31,36	€ 62,72	€ 125,44	
Grossmargin	€ 0,00	€ 1.085,84	€ 2.171,68	€ 4.343,36	
Total turnover	€ 0,00	€ 1.535,80	€ 3.071,60	€ 6.143,20	€ 10.750,60
Total profit incl. VAT	€ 0,00	€ 1.481,48	€ 2.962,96	€ 5.925,92	€ 10.370,36
Total profit excl. VAT	€ 0,00	€ 1.200,00	€ 2.400,00	€ 4.681,48	€ 8.281,47

9.3 Break-even analysis

We expect that with every basic set we sell, people will buy 2 strands with it.

Breakeven		
Profit per day with 1 store	€25,56	
Total costs	€215,73	
Breakevenpoint	9 days	(18 strands and 9 basic sets)
2 strands and 1 basic set per day per store		

Table 2

As you can see in table 2, the profit from 1 shop is €25,56 per day. The total costs to start our webshop and to get the bracelet into the shops is €215,73. This means that we reach breakeven after 9 days of sales in one shop.

9.4 Projected cash flow

Projected cash flow	Q1'12	Q2'12	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14
Turnover Incl. VAT	€ 0,00	€ 2.852,20	€ 10.235,60	€ 32.471,20	€ 28.686,55	€ 46.896,75	€ 54.246,65	€ 61.651,40	€ 64.409,30
Turnover excl. VAT	€ 0,00	€ 2.310,28	€ 13.150,84	€ 25.652,25	€ 22.662,37	€ 37.048,43	€ 42.854,85	€ 48.704,61	€ 50.883,35
Costs	€ 0,00	€ 100,88	€ 574,24	€ 1.148,48	€ 1.014,62	€ 1.658,70	€ 1.918,66	€ 2.180,56	€ 2.444,40
Total cash from operations	€ 0,00	€ 2.209,40	€ 12.576,60	€ 24.503,77	€ 21.647,75	€ 35.389,73	€ 40.936,19	€ 46.524,05	€ 48.438,95
Cash flow from investing activities									
Purchase of equipment	€ 0,00	€ 600,63-	€ 1.446,57-	€ 1.607,30-	€ 0,00	€ 1.607,30-	€ 803,65-	€ 803,65-	€ 803,65-
Total cash from investing activities	€ 0,00	€ 600,63-	€ 1.446,57-	€ 1.607,30-	€ 0,00	€ 1.607,30-	€ 803,65-	€ 803,65-	€ 803,65-
Cash flow from financing activities									
Loan	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00
Owner's investment	€ 0,00	€ 600,63	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00
Total cash from financing activities	€ 0,00	€ 600,63	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 0,00
Salary founders					-€ 12.988,65	-€ 20.269,46	-€ 24.079,53	-€ 27.432,24	-€ 28.581,18
Cash flow	€ 0,00	€ 2.141,76	€ 11.130,03	€ 22.896,47	€ 8.659,10	€ 12.512,97	€ 16.053,01	€ 18.288,16	€ 19.054,12
Compound cash flow	€ 0,00	€ 2.141,76	€ 13.271,79	€ 36.168,25	€ 44.827,36	€ 57.340,33	€ 73.393,34	€ 91.681,50	€ 110.735,62

Turnover incl. VAT – This is the expected turnover based on our salesforecast.

Costs – The costs of the bracelets

Purchase of equipment – The things we need to buy for the stores. For instance the presentation materials. These costs are based on the expected increase in amount of stores.

Salary founders – As mentioned in the previous chapter, we divide the profit between the founders. We all get 15%, (total of 60%), the other 40% stays in the venture for further expansion. We decided to start with a salary from Q1 2013, in this way the company can use all the profit in the start-up phase to become a healthy venture.

10. Appendix

Figure 1.1

Results of our survey: Interest in a bracelet with a meaning? (0= not at all interest, 7= very interest)

#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	Nomering	1.00	7.00	4.52	1.98	44

Figure 1.2

Result of our survey: Education

#	Answer	Response	%
1	Middelbaar onderwijs	1	2%
2	MBO	5	11%
3	HBO	18	39%
4	WO	21	46%
5	Geen diploma	1	2%
	Total	46	100%

Figure 1.3

Result of our survey: How often are you buying a present each month?

#	Answer		Response	%
1	Nooit		2	4%
2	1 keer		26	57%
3	2 keer		12	26%
4	3 keer		5	11%
5	4 keer		1	2%
6	5 keer of vaker		0	0%
	Total		46	100%

Figure 1.4

Result of our survey: How often are you give jewellery as a present? (0=never, 7= always)

#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	Nomering	0.00	7.00	3.16	1.87	44

Figure 1.5

Result of our survey: How much are you spend on a gift for a friend?

#	Answer		Response	%
1	0-10 euro		2	4%
2	10-20 euro		23	50%
3	20-30 euro		14	30%
4	30 euro of meer		7	15%
	Total		46	100%

Figure 1.6

Result of our survey: If it's difficult to find a personal gift? (0=it's not hard to find a personal gift, 7=really hard to find a personal gift)

#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	Nomering	0.00	7.00	4.04	2.03	45

Figure 1.7

Result of our survey: Are you prepared to spend more money for a bracelet with a meaning? (0=not at all, 7=I'm really am)

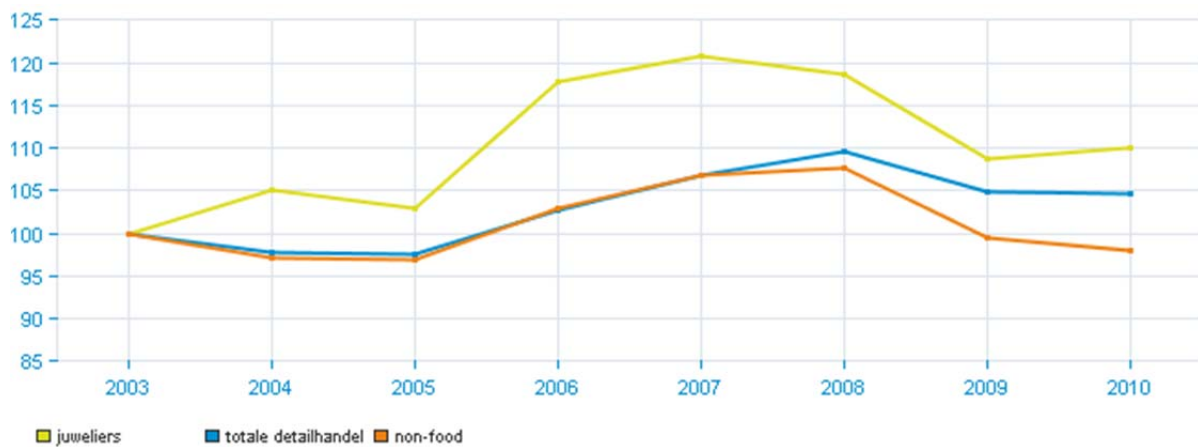
#	Answer	Min Value	Max Value	Average Value	Standard Deviation	Responses
1	Nomering	0.00	7.00	3.63	1.84	41

Figure 1.8

Result of our survey: How much money will you spend for our product?

#	Answer	Response	%
1	5-10 euro	4	9%
2	10-20 euro	29	63%
3	20-30 euro	10	22%
4	meer dan 30 euro	3	7%
	Total	46	100%

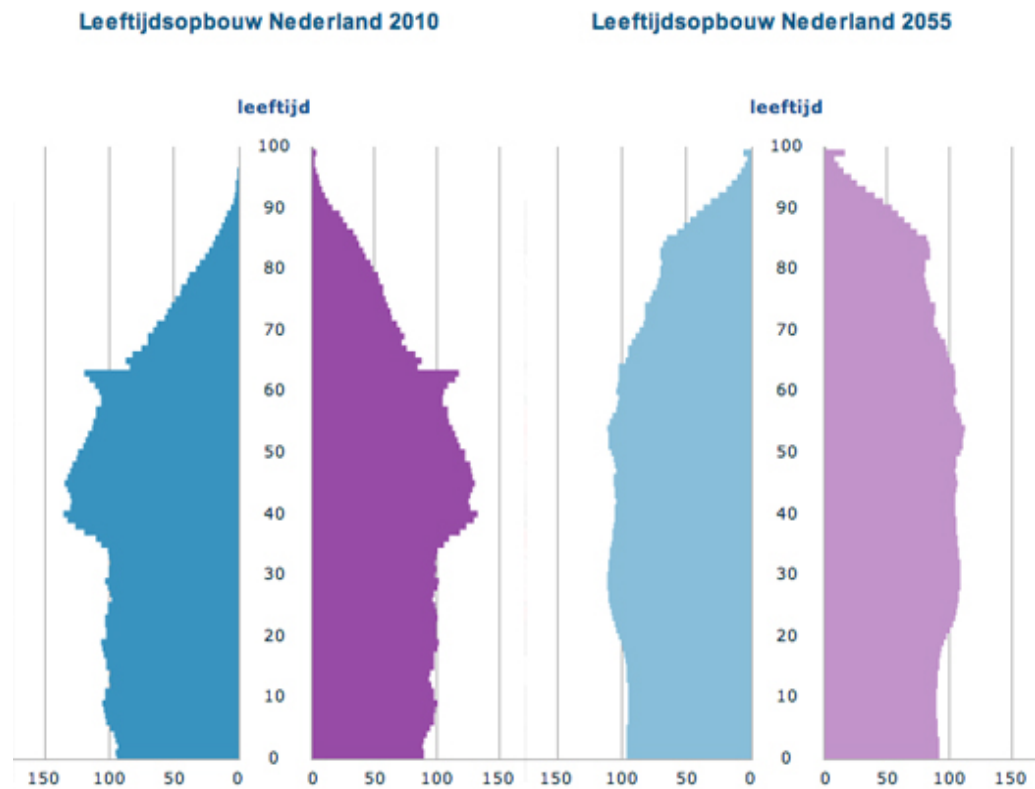
Figure 1.9



Sales volume of retail trade compared to total (2003 = 100)

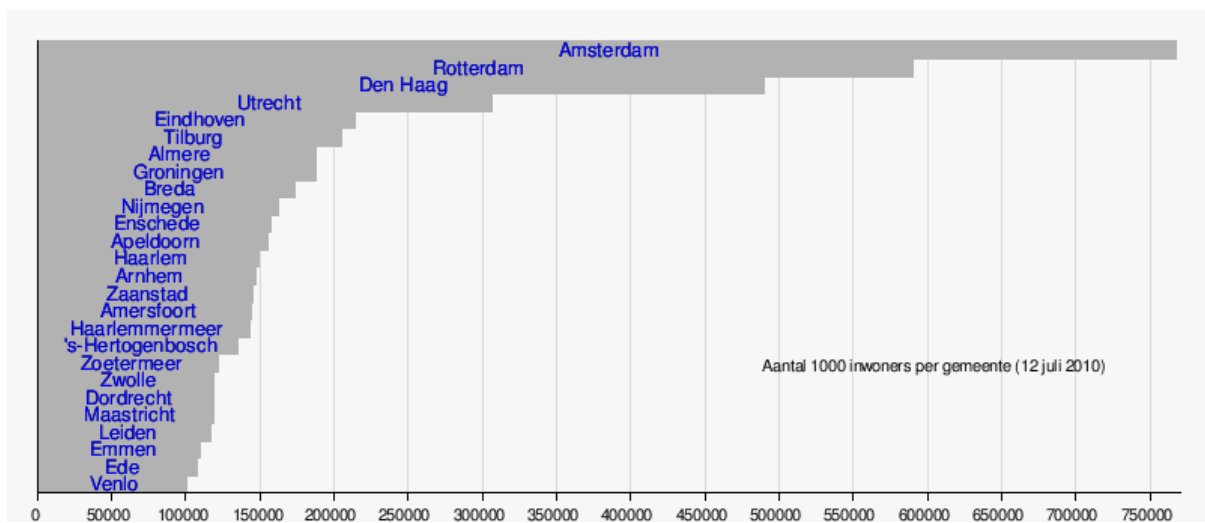
Bron: CBS

Figure 2.0
Age structure (Netherlands)



Bron:
<http://www.dannyvanholten.com/wp-content/uploads/2011/04/leeftijdsopbouw-nederland.jpg>

Figure 2.1
Districts in the Netherlands with more than 100.000 civilians



Number of inhabitants per municipality (12 juli 2010)

Bron: http://nl.wikipedia.org/wiki/Geografie_van_Nederland

Figure 2.2

Spended money on jewellery, 2010 (incl. btw)

Bron: HBD

	bestedingen (mln)	per huishouden	per hoofd
sieraden en uurwerken	€1.195	€161	€72

(Bijgewerkt 18 november 2011)

Market shares of distribution channels

Bron: HBD

	20	20
	02	10
juweliers (en opticiens)	62	59
	%	%
warenhuizen	6	6
	%	%
huishoudelijke-artikelenzaken	6	5
	%	%
niet-detailhandel	14	13
	%	%
webwinkels/postorder, ambulante handel en overige winkels	12	17
	%	%
totaal	10	10
	0	0
	%	%

Indien consumenten een product via de site van een fysieke winkel(keten) hebben gekocht, wordt die aankoop geschaard onder het betreffende winkeltype (en niet onder webwinkels).

(Bijgewerkt 18 november 2011)

Bron:

http://www.hbd.nl/pages/14/Bestedingen-en-marktaandeelen/Juweliers.html?branche_id=14&hoofdonderwerp_id=14

Figure 3.0

Stores 2013

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec	Total
Basic set					
Sales	400	720	840	960	
Average selling price	€14,95	€14,95	€14,95	€14,95	
Turnover	€5.980,00	€10.764,00	€12.558,00	€14.352,00	
Cost price	€328,00	€590,40	€688,80	€787,20	
Margin stores	€2.990,00	€5.382,00	€6.279,00	€7.176,00	
Gross margin	€2.662,00	€4.791,60	€5.590,20	€6.388,80	
Strands					
Sales	800	1440	1680	1920	
Average selling price	€19,95	€19,95	€19,95	€19,95	
Turnover	€15.960,00	€28.728,00	€33.516,00	€38.304,00	
Cost price	€448,00	€806,40	€940,80	€1.075,20	
Margin stores	€7.980,00	€14.364,00	€16.758,00	€19.152,00	
Gross margin	€7.532,00	€13.557,60	€15.817,20	€18.076,80	
Total turnover	€21.940,00	€39.492,00	€46.074,00	€52.656,00	€160.162,00
Total profit incl. VAT	€10.194,00	€18.349,20	€21.407,40	€24.465,60	€74.416,20
Total profit excl. VAT	€8.053,26	€14.495,87	€16.911,85	€19.327,82	€58.788,80

Figure 3.1

Webshop 2013

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec	Total
Basic set					
Sales	123	135	149	164	
Average selling price	€14,95	€14,95	€14,95	€14,95	
Turnover	€1.838,85	€2.018,25	€2.227,55	€2.451,80	
Cost price	€100,86	€110,70	€122,18	€134,48	
Gross margin	€1.737,99	€1.907,55	€2.105,37	€2.317,32	
Strands					
Sales	246	270	298	328	
Average selling price	€19,95	€19,95	€19,95	€19,95	
Turnover	€4.907,70	€5.386,50	€5.945,10	€6.543,60	
Cost price	€137,76	€151,20	€166,88	€183,68	
Gross margin	€4.769,94	€5.235,30	€5.778,22	€6.359,92	
Total turnover	€6.746,55	€7.404,75	€8.172,65	€8.995,40	€31.319,35
Total profit incl. VAT	€6.507,93	€7.142,85	€7.883,59	€8.677,24	€30.211,61
Total profit excl. VAT	€5.141,26	€5.642,85	€6.228,04	€6.855,02	€23.867,17

Figure 3.2

Stores 2014

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec	Total
Basic set					
Sales	1080	1200	1320	1440	
Average selling price	€14,95	€14,95	€14,95	€14,95	
Turnover	€16.146,00	€17.940,00	€19.734,00	€21.528,00	
Cost price	€885,60	€984,00	€1.082,40	€1.180,80	
Margin stores	€8.073,00	€8.970,00	€9.867,00	€10.764,00	
Gross margin	€7.187,40	€7.986,00	€8.784,60	€9.583,20	
Strands					
Sales	2160	2400	1640	2880	
Average selling price	€19,95	€19,95	€19,95	€19,95	
Turnover	€43.092,00	€47.880,00	€32.718,00	€57.456,00	
Cost price	€1.209,60	€1.344,00	€918,40	€1.612,80	
Margin stores	€21.546,00	€23.940,00	€16.359,00	€28.728,00	
Gross margin	€20.336,40	€22.596,00	€15.440,60	€27.115,20	
Total turnover	€59.238,00	€65.820,00	€52.452,00	€78.984,00	€256.494,00
Total profit incl. VAT	€27.523,80	€30.582,00	€24.225,20	€36.698,40	€119.029,40
Total profit excl. VAT	€21.743,80	€24.159,78	€19.137,91	€28.991,74	€94.033,23

Figure 3.3

Webshop 2014

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec	Total
Basic set					
Sales	180	198	218	240	
Average selling price	€14,95	€14,95	€14,95	€14,95	
Turnover	€2.691,00	€2.960,10	€3.259,10	€3.588,00	
Cost price	€147,60	€162,36	€178,76	€196,80	
Gross margin	€2.543,40	€2.797,74	€3.080,34	€3.391,20	
Strands					
Sales	360	396	436	480	
Average selling price	€19,95	€19,95	€19,95	€19,95	
Turnover	€7.182,00	€7.900,20	€8.698,20	€9.576,00	
Cost price	€201,60	€221,76	€244,16	€268,80	
Gross margin	€6.980,40	€7.678,44	€8.454,04	€9.307,20	
Total turnover	€9.873,00	€10.860,30	€11.957,30	€13.164,00	€45.854,60
Total profit incl. VAT	€9.523,80	€10.476,18	€11.534,38	€12.698,40	€44.232,76
Total profit excl. VAT	€7.523,80	€8.276,18	€9.112,16	€10.031,74	€34.943,88

Figure 3.4

Stores 2015

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec	Total
Basic set					
Sales	1560	1680	1800	1920	
Average selling price	€14,95	€14,95	€14,95	€14,95	
Turnover	€23.322,00	€25.116,00	€26.910,00	€28.704,00	
Cost price	€1.279,20	€1.377,60	€1.476,00	€1.574,40	
Margin stores	€11.661,00	€12.558,00	€13.455,00	€14.352,00	
Gross margin	€10.381,80	€11.180,40	€11.979,00	€12.777,60	
Strands					
Sales	3120	3360	3600	3840	
Average selling price	€19,95	€19,95	€19,95	€19,95	
Turnover	€62.244,00	€67.032,00	€71.820,00	€76.608,00	
Cost price	€1.747,20	€1.881,60	€2.016,00	€2.150,40	
Margin stores	€31.122,00	€33.516,00	€35.910,00	€38.304,00	
Gross margin	€29.374,80	€31.634,40	€33.894,00	€36.153,60	
Total turnover	€85.566,00	€92.148,00	€98.730,00	€105.312,00	€381.756,00
Total profit incl. VAT	€39.756,60	€42.814,80	€45.873,00	€48.931,20	€177.375,60
Total profit excl. VAT	€31.407,71	€33.823,69	€36.239,67	€38.655,65	€140.126,72

Figure 3.5

Webshop 2015

	Jan/Feb/Mar	Apr/May/Jun	Jul/Aug/Sept	Okt/Nov/Dec	Total
Basic set					
Sales	264	290	319	351	
Average selling price	€14,95	€14,95	€14,95	€14,95	
Turnover	€3.946,80	€4.335,50	€4.769,05	€5.247,45	
Cost price	€216,48	€237,80	€261,58	€287,82	
Gross margin	€3.730,32	€4.097,70	€4.507,47	€4.959,63	
Strands					
Sales	528	580	638	702	
Average selling price	€19,95	€19,95	€19,95	€19,95	
Turnover	€10.533,60	€11.571,00	€12.728,10	€14.004,90	
Cost price	€295,68	€324,80	€357,28	€393,12	
Gross margin	€10.237,92	€11.246,20	€12.370,82	€13.611,78	
Total turnover	€14.480,40	€15.906,50	€17.497,15	€19.252,35	€67.136,40
Total profit incl. VAT	€13.968,24	€15.343,90	€16.878,29	€18.571,41	€64.761,84
Total profit excl. VAT	€11.034,91	€12.121,68	€13.333,85	€14.671,41	€51.161,85