



Nature Bliss

Business Plan

Created on: February, 10, 2021

Alondra Juarez, Florist Assistant

Grade 12

Nicole Morales-Garcia, Florist Supplier

Grade 12

Created on February, 10, 2021

Revised on May, 11, 2021

Teacher Name: Mr. Tennant

School: Diamond Technology Institute



1.Executive Summary

Problem

According to [Yumpu](#), a documentation website, ordering flowers online can feel very less personal, and may take long for the flowers to be delivered and when they arrive, they might not be fresh any more.

Solution: Description of Product / Service

We will be selling a variety of bouquets of flowers that our goal is to break those disadvantages and meet our customer's requests and needs. Our product will be suitable for any occasion and will be available throughout the year and we will do our best to keep their product fresh!

Customers

Our service is open to local customers, that live or live close to Watsonville, ages around 15 and up, men, women, and gender-neutral, and eco-friendly customers and whoever likes to order online.

Future Vision of the Company

In the future, we would like our business to expand in place, and sell gardening products. More in depth, we would like to open a small building locally in Watsonville and we will sell flowers and gardening tools to encourage planting. It will include individual and gardening tool sets like trowel, spade, and bow rake, shears, plant seeds, and more! We would also like to be involved with environmental activism and sustainability.



2. Company Description

Mission Statement & Social Impact

Provide our customers with quality flowers and arrangements at a fair price and we will match and surpass the customers expectations. Our service will do our best to make our flower prices affordable. Since we are a small business, we are open to any occasion, including small occasions like simple greetings and even just a gift to a friend or family.

2.B Principal Members / Roles/ Responsibilities

Alondra Juarez - Florist Assistant

- Assist with the phones, customers, deliveries, photo taking and bucket cleaning and other light cleaning duties.

Nicole Morales - Florist Supplier

- Orders and coordinates flower nurseries. Negotiates and communicates with suppliers and brings them in time.

Aaliyah Vasquez - Florist Designer

- highly organized, ability to work on multiple projects at a time, providing superior customer service, color coordinating.

2.C Principal Members Time Management Data

Principal Member 1 - Alondra		Narrative/ Explanation:
Weekly Time-Management Plan		
Activity	Hours	
Sleep	11:00pm- 8:00am (9 hours)	For my weekly time management plan I will spend 168 hours a week doing different tasks. 9 hours of sleep, 5 hours of school, 2 hours of homework, 2 hours of free time, 3 hours on other hobbies, and 3 hours working on the business.
Work on Business		
Homework	11:05 am - `12:40pm / 2:30pm-3:30pm (2 hours and 45 min)	
Free Time	9:00pm-11:00pm (3 hours)	
Hobbies/ Other Job/Family	(3 hours)	
In School	9:00am- 2:25pm (5 hours and 25 min)	
Total Hours in a Week	0	
Must =168 weekly Hours		



Principal Member 2 - Nicole		Narrative/ Explanation:
Weekly Time-Management Plan		
Activity	Hours	My weekly time management plan consists of mostly spending time on school and hobbies/other jobs/family. I spend 30 hours of sleep per week, working on business 14 hours per week, spending 28 hours per week doing homework if not, more, free time 21 hours per week, and 36.75 during classes.
Sleep	50	
Work on Business	14	
Homework	28	
Free Time	21	
Hobbies/ Other Job/Family	42	
In School/ Classes	36.75	
Total Hours in a Week	191.75	
Must =168 weekly Hours		

2.D Legal Structure

General Partnership: A business arrangement by two or more individuals who agree to share in all assets, profits, and financial and legal liabilities of a jointly-owned business

3. Market Research

3.A. Industry

Our **NAICS** title is “Florists” and our number would be 453110.

The flower shop industry involves activities like flower care, flower arranging, and sometimes flower delivery. It also includes fresh cut flowers, potted flowering plants. In the United States, the floral industry consists of more than 60,000 small businesses, such as growers, wholesalers, retailers, distributors and importers.

3.B. SWOT Analysis

Strengths

A strength is having an advantage in flowers that our competitors might not have access to and having a good trained florist.



Weaknesses

The cost will be higher since less quantity is needed. Weakness is the size of the business when buying stuff in bulk, especially being a small business.

Opportunities

Having a website for the flower shop will allow us to approach more people and it will help us grow our business faster.

Threats

Having a limited selection of flowers can make other flower shops a threat because they might offer a wider range of flowers.

3.C Detailed Description of Primary Customers

Demographics

local customers ages around 15 and up, men, women, and gender-neutral,

Psychographics

Likes to be eco-friendly, Liked gardening and flowers, enjoys buying gifts for friends and family.

Geographic

Live locally like our business, Watsonville, or/and can provide service to cities next to us (ex. Santa Cruz)

Buying Patterns

Customers will most likely buy when something is occasional.

3.D Market Analysis

<i>Variable</i>	<i>Quantitative Data</i>	<i>Description/ Notes</i>
Industry Sector	Floriculture	The third largest U.S. agricultural crop.
Resource Link: Industry Sector		
Annual Industry Sales	\$5 billion	the 50 biggest floral companies only make up 10% of the revenue.
Resource Link: Annual Industry Sales		



Geographical Target Market	[95076, 95019, 95077]	Live locally like our business, Watsonville, or/and can provide service to cities next to us (ex. Santa Cruz)
Resource Link: Target Market		
Positive Market Data 1	Building A Website	90% of people visit a business's website before making a call or stopping by
Resource Link: Positive Market Data 1		
Positive Market Data 2	Social Media	you can show your audience what kind of florist you are
Resource Link: Positive Market Data 2		
Annual Potential Market Size	15,000	

3.E Company Competitive Advantages

Factor 1

- Our online business is all about convenience, you can order them wherever you are. You can put your information and details for the pickup/delivery and the rest will be taken care of with us.

Factor 2

- You can also easily compare prices while being online, you can see the prices and fees, and make your good decision.

Factor 3

- When buying flowers online, you will see a variety of choices for you. You can view them and order them with just a few clicks.

Factor 4

- If you only have a certain time to buy them, no problem. Our online business is always open for you.



3.F Regulations

Definition: “For purposes of this regulation, the term "florist" means a retailer who conducts transactions for the delivery of flowers, wreaths, etc., through a florist delivery association utilizing telephonic, electronic, or other means for the transmission of orders, except that the term "florist" shall not include any retailer who does not fulfill other florists' orders for the delivery of flowers, wreaths, etc.”

Application of tax: “Tax applies to amounts charged by a florist to customers for the delivery of flowers, wreaths, etc., to points within California, even though the florist instructs another florist to make the delivery, but in such case tax does not apply to amounts received by the florist making the delivery.”

4. Product / Service Line

4.A Product/Service Detailed Description

Since our products will always be different from other customers, we created our standard bouquet. It will contain: a dozen roses, small vase, biodegradable ribbon, and if you want, you can also add a greeting card.

Our business will be online, meaning it will always be open to order. First the customer will have to go to our website. Then, they can order and tell us how they want it into great detail so we can understand better. Once they order, we will receive their order and before starting it, we will have to make sure we get the supplies first. After getting the supplies, we will get started to build the bouquet. All of the customer’s bouquet will depend on the time, but for example, the standard bouquet can take 1-3 hours. Once it is done, we will let the buyer know it is done with the contact information they have given us from the website, and decide if they will like it delivered or like to do a pickup.



*Note: Creating an App/ game or digital product (SAAS)? Make a copy of this google slideshow and design your app. Pictures of wireframe design of your app can be inserted here with description of your product/ service.
(<https://docs.google.com/presentation/d/1TT226pGB0P6Afk6AMVBIVtUvp62EFHI9MgBYAKp6lgs/edit?usp=sharing>)

4.B Pricing Structure



Pricing structure varies, but for the standard bouquet:

- Dozen of Roses, small vase, biodegradable ribbon, and greeting card: will be \$20.

4.C Intellectual Property Rights

Trademark: a word or words legally registered to represent a company or product

We won't be using any property rights protection. Our flowers and style of bouquets are not meant to be trademarked as everything's meant to be different and we do not see why in our business should have those properties

4.D Research and Development

We will keep track of our competitions by looking at their websites and/or the stores/place and see how they are doing. We are also going to keep track of our audience by looking at their reviews and maybe making a survey once in a while to see what they want to see or something frequently.

5. Marketing & Sales

5.A Growth Strategy

Our growth strategy is selling products online across multiple platforms in order for our business to reach new potential customers. And expanding the design of bouquets with new products.

5.B Distribution Channels



We will be purchasing from a wholesaler in bulk quantities for our roses and vases. A wholesaler is an intermediary business that purchases products straight from the manufacturer and then resells them to retailers or end customers.

5.C Promotional Mix

Promotional Mix		
Promotional Category	Annual Promotional Expense Description	Monthly Amount
Advertising	Social Media Promotion	300.00
Publicity		
Personal Selling		
Sales Promotion		
Other	Business Cards	30.00
	Total Monthly Promotional Expense	\$ 330.00

5.D Sales Strategies

A way to promote ourselves is through social media. We will make a business social media account and promote our posts for the audience to see and be interested in our business. Another small way is to make flyers and business cards to give out new customers.

6. Business Financials

6.A Cost of Materials and Labor (COGS/ COSS) for Primary Unit of Sale

Description of primary unit of sale:





Cost of Materials & Labor		
Materials		
Material Description	Cost/Total Quantity	Cost per Unit
Roses	\$209.99/200 roses	\$13.04
Ribbon	\$7.00/25 yards	\$0.50
Tissue Paper	\$13.99/40 sheets	\$0.70
Small Vase	\$9.00/12 vases	\$0.75
Greeting Card	\$25.50/Pack of 24	\$1.06
Total Material Cost per Unit		\$16.05
Labor		
Labor Cost per Hour	Time (in Hours) to Make One Unit	Labor Cost per Unit
\$17.00	45 min	\$7.65
Total Labor Cost per Unit		\$7.65
COGS Per Unit		\$23.70

6.B Economics of One Unit of Sale

Description of primary unit of sale:

In this case, one standard bouquet.

Economics of One Unit of Sale:	
Selling Price (per Unit)	\$35.50
COGS (per Unit)	\$ 23.70
Other Variable Expenses (per Unit)	\$
Total Variable Expenses (per Unit)	\$ 23.70
Contribution Margin (per Unit)	\$11.80

6.C Average Monthly Fixed Expenses

Nature Bliss	
Fixed Expense	Average Monthly Expense
Insurance	\$ 223.00
Advertising/Promotion	\$ 330.00
Interest	\$ 400.00
Depreciation	\$ 200.00
Utilities (Gas, Electric, Telephone)	\$ 120.00
Total Average Monthly Fixed Expenses	\$ 1,273.00

6.D Proposed Working Facility/ Storefront / Office

We will be working in a garage until our business is able to grow and reach more people once it does and we have enough money we will then be expanding to opening a flower shop that we can afford.

6.E Monthly Sales Projections

Description of primary unit of sale:

One standard bouquet equals one unit of sale.



	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Units Sold - UNIT type A	160	190	180	180	190	170	150	130	120	120	130	150	1870
Estimated Total Annual Units Sold													1870

Description of seasonal sales data/trends/top and bottom sales:

Flower season hits in March, which is spring, a good season for flowers to bloom. We will do well during spring and summer, but we might hit a little downhill in the winter season, not if we preserve the flowers, but that means we will probably sell at a higher price. Also our goal is to also sell the numbers above monthly so we can pay off our fixed expenses.

6.F Projected Monthly Break-Even

Nature Bliss	
Monthly Fixed Expenses	\$ 1,273.00
Contribution Margin (per Unit)	\$11.80
Monthly Break-Even Units	108.00

6.G Projected Yearly Income Statement

Nature Bliss		
Projected Yearly Income Statement: First Year		
Selling Price per Unit	\$ 35.50	
Projected Number of Units Sold	1,870	
Total Sales		\$ 66,385.00
Variable Expenses	\$44,319.00	
Contribution Margin		\$(22,066.00)
Fixed Operating Expenses	\$ 15,276.00	
Pre-Tax Profit		(6,790.00)
Taxes @ 20%	\$ (1,358.00)	



Net Profit		\$ (5,432.00)
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6.H Projected Start-Up Expenditures

Nature Bliss		
Start-Up Expenditure		
Item	Where Will I Buy This?	Cost
Computer	Amazon.com	\$ 499.99
Office Phones	Amazon.com	\$ 73.88
Total Start-Up Expenditures		\$ 573.87
Cash Reserves		
Emergency Fund (2 mths)		\$ 1,500.00
Reserve for Fixed Expenses (2 mths)		\$ -
Total Start-Up Investment		\$ 2,073.87

6.I Y1 ROS & ROI

Nature Bliss	
ROS: Return on Sales	
Annual Net Profit	\$5,432
Annual Sales	\$66,385
ROS %	8.18%
Dollar Equivalent	\$0.08
ROI: Return on Investment	
Annual Net Profit	\$5,432
Start-Up Investment	\$2,074
ROI %	261.93

"This means for every dollar in sales, \$0.08 is profit."



Dollar Equivalent	\$2.62	"This means for every dollar invested, it is estimated that \$2.62 will be earned."
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6.J Financing Strategy

Nature Bliss					
Total Start-Up Investment		\$2,074			
Source	Amount	Debt	Equity	Gift	
Relatives/Friends Gift	\$500			\$500	
Investor	\$6,000	\$7,500			25% of Business Ownership
Partner 1	\$650		\$650		25% of Business Ownership
Partner 2	\$1,000		\$1,000		25% of Business Ownership
Totals	\$ 6,650	\$7,500	\$1,650	\$500	

7. Future Plans

In the future, we would like to get a flower cooler so we can preserve our customers' flowers and keep them fresh. We would also like to get an affordable building for a new flower shop! We would also like to contribute and cooperate with environmental activists to support them in any way! We would also like to make our shop as eco-friendly as possible so we can produce less waste for our environment.

<u>Major Expansion Item</u>	<u>Projected Timeline/ Why Needed</u>	<u>Estimated Cost</u>
Flower Cooler	6 months Preserve flowers	\$3,500
	Total Projected Expansion Expenditures	\$3,500



Works Cited:

<https://safnow.org/aboutflowers/about-the-flower-industry/>

<https://blog.kolau.com/marketing-ideas-for-flower-shops/>

<https://www.yumpu.com/en/document/read/59460374/advantages-and-disadvantages-of-buying-flowers-online-vs-visiting-a-local-shop>

<https://safnow.org/aboutflowers/about-the-flower-industry/>