

# ABC Business Plan (Luxury Goods)

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*Abstract- ABC LTD is a fictitious name used for the sole purpose of this academic business plan report. ABC is a brand that will specialise in the design, creation and selling of high quality, bespoke and innovative leather products. Nigeria is the chosen location due to the current economic reform following the restoration of democratic rule thereby encouraging foreign direct investments mostly by Nigerians in diaspora. The global recession is another factor that has encouraged a lot of Nigerians and foreigners in diaspora to seek employment and business venture opportunities in Nigeria The Nigerian Guardian News (2010) Jonathan Pledges Co-operation (online), Available: <http://ngrguardiannews.com/index>. This has created an appetite for these “western world” developed Nigerians to have the same quality products they normally consume in the western countries as well as for the home-based Nigerians having products customised with a hint of the “African Print”. There is significant growth in private led organisations which has created employment leading to disposable income. Based on Levitt’s market globalisation concept that global markets are based on the premise that the homogenising effect of mass communication has eliminated many regional differences resulting in a converging commonality of the world’s needs and desires. This concept is enhanced with the non-traditional consumers of ABC’s products; whom are used to shopping in, London, Paris, the US and other western countries. Harvard Business Review, May-June 1983) ABC LTD is an upmarket bespoke and genuine leather products provider to Men and Women within the age band 25-45, typically professionals and business people with limited time on their hands for on street shopping. The manufacturers and materials will be sourced from Italy and will work closely with ABC LTD designers to create ABC LTD branded unique designs. ABC LTD will also cater for special occasions or requests by providing bespoke designs and customisation of leather products, hence creating a niche in the leather goods market. ABC LTD's business platform will be based on location synergies provided by leasing premium shopping centre spaces in major Retail Businesses, these business platforms will be minimal to setup and dynamic enough to relocate. ABC LTD's shopping mall presence will be bolstered by its interactive website which will automate order processing, stock level control and CRM into one single supported portal. The website will also*

*leverage against the sales and marketing efforts and tools being deployed. The key focus for ABC LTD in the first 5 years is to increase product range visibility / awareness and to highlight the Unique Selling Point of the products via the online and shopping centre marketing campaigns.*

## *Marketing*

*The target customers would be women and men mainly in the 25 – 45 age bracket, although the range would be open to all leather enthusiasts. ABC’s approach would be of the holistic marketing concept Kotler and Keller (2006), and not the selling concept or marketing concept as defined by Ted levitt as stated by Franklin S. Houston (1986).The products would be made from the highest quality Italian leather with the ABC brand on all products. The economy of Nigeria is progressively becoming stable with significant economic growth. Clothing, footwear, sportswear and accessories retailers in Nigeria increased at a compounded annual growth rate (CAGR) of 9.8% between 2003 and 2008.Clothing and footwear market sales accounted for an 88.5% share of the clothing, footwear, sportswear and accessories retailers’ market in 2008. <http://www.datamonitor.com/store>*

*To confirm the market segment for the ABC products a market analysis was conducted on the following segments and a strategy to target these segments.*

- Professional Women (Corporate)
- Professional Men (Corporate)
- Business Women (Entrepreneurs)
- Business Men (Entrepreneurs)
- High Net worth House Wives

*The justification for choosing these target groups would be described in the Target and Market segmentation analysis section of this plan.*

*The strategic planning tools used to evaluate the competitive, external market and implementation strategy were:*

- Internal (Strength and Weaknesses)
  - External (Opportunity and Threats)
  - Segmentation, Targeting and Positioning (STP)
  - The Marketing Mix – 4P’s or the 7P’s
- } Analysis

### **Financial**

*The financial forecast' figures would be driven by the uniqueness/quality of the products, the marketing campaign, the sales strategy and the management processes particularly the customer relations management. The financial forecast would be based on assumptions and marketing survey carried out by datamonitor. A five year projected profit and loss account, projected cash flow of ABC and projected Balance sheet would be presented based on the assumption and anticipated sales and expenses to ABC.*

### **Objectives**

*The Objectives of ABC LTD are:*

- 1. To provide high quality, genuine leather products to Men and Women within the age band 25- 45, typically professionals and business people with limited time on their hands for on street shopping.*
- 2. To provide tailored services (bespoke design and customisation of leather products) and gifts for marking special occasions.*
- 3. To attain a 50% profit margin in the first year of operation and to increase this profit margin by 25% on an annual basis for the next 4 years.*
- 4. To provide exceptional quality service measured through new and repeat business (our goal is that 50% of our customers will return within 3 months for repeat sales).*
- 5. To achieve a net profit of £100,000 by Year 1 and £500,000 by Year 5.*

### **Mission**

*The Mission statement provides the employees a shared sense of purpose, opportunity and direction. Levitt also encourages businesses to define themselves according to consumer needs and not business products. The Mission of ABC LTD is to become a Global Brand (Africa, then the rest of the world) in the provision of high quality, bespoke and cutting edge leather products to meet the needs of a time conscious generation of online customers.*

management. ABC LTD is an online business trading in the supply of unique and bespoke leather products for Men and Women. With reference to Michael Porters generic strategies; ABC's corporate aspirations include establishing and maintaining a global customer base of leather product consumers with initial targets of capturing a significant share of the Nigerian market (40%) in its first 5 years of operations by Differentiation and Focus

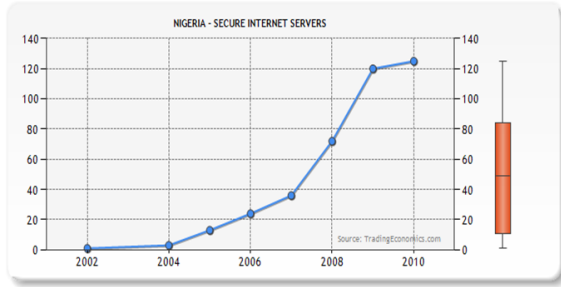
Although ABC LTD will establish itself initially as an online business, it aims to expand globally to include on-street stores across Nigeria and Africa and then Europe, the Americas and Asia. Website sales will be processed by our online credit and debit card processor (PayPal) with customer accounts being created for repeat sales. ABC LTD will develop its customer base through effective online marketing and customer referrals. The Company also aims to create partnerships with major high street stores such as Shop right, Alade Market, and the upcoming malls in Abuja to market its products. This mode of trading has been decided due to the growing trend of Nigerians using online service as well as the security consciousness with the modes of trading.

This page includes a chart with historical data for Secure Internet servers in Nigeria. The Secure Internet servers in Nigeria were reported at 120.00 in 2008, according to the World Bank. In 2009, the Nigeria Secure Internet servers were 125.00. Secure servers are servers using encryption technology in Internet transactions. Nigeria is one of the most developed economies in Africa. The petroleum industry provides 95% of foreign trade earnings and about 80% of budget revenues. Yet, agriculture is the main source of revenue for two-thirds of the population. Still, more than 50% of Nigerians live in poverty with corruption and poor infrastructure as the main obstacles for future sustainable development.

## **I. INTRODUCTION**

### **Company Summary**

ABC LTD is a Limited Liability Company registered in England and Northern Ireland with Companies House. Its founders are Michael and Agnes Bamidele who are also responsible for its day to day



<http://www.tradingeconomics.com>

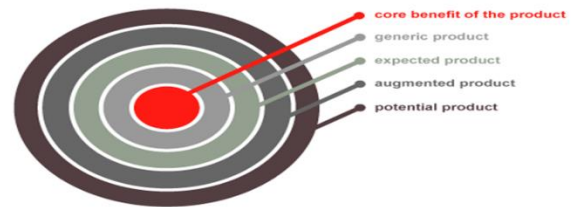
**External Focus**

ABC would be a “Socially Responsible” company as per CSR (Corporate Social Responsibility), there are various frameworks that facilitate an organisations’ status as being CSR for example a CSR model where:

Corporate Social Initiatives					
Corporate Social Marketing	Cause Promotion / Marketing	Cause-Related Marketing	Corporate Philanthropy	Community Volunteering	Socially Responsible Business Practices
Supporting Behaviour change campaigns	Promoting social issues through efforts such as sponsorship, licences agreements, and advertising	Donating a percentage of revenues to a specific cause based on the revenue occurring during the announced period of support	Making gifts of money, goods, or time to help non-for-profit organisations, groups or individuals	Providing in-kind or volunteer services in the community.	Adapting and conducting business practices that protect the environment, and human and animal rights

**Kotler and Lee (2004)**

ABC LTD will be partnering with Local Charities and Community Service Organisations to support the needs of Local Communities, Schools and Development Initiatives in Lagos and Abuja initially and globally as the Company expands and its revenue streams increases. This would be part of the organisational values of ABC LTD.



**Products & Services**

**Products**

The products ABC would be designing and producing would be placed in the five product levels defined by Phillip Kotler as “Augmented Products” the products would have at least 1yr’s guarantee and a maintenance service; this is due to the uniqueness of the product, brand positioning and competition. The products are also classified as both durable and service goods. Due to the products’ uniqueness, there would be maintenance services offered for these products as well as guarantees to the customers for specific periods. The products would be categorised as speciality goods

**Kotler and Keller (2006),**

Using the Michael Porter’s Generic strategies, the target scope for ABC is both (Broad) Industry wide with an advantage of product uniqueness (differentiation as its strategy) and Narrow (Market Segment) with an advantage of product uniqueness (focus as its strategy). Differentiation for ABC would be to create good quality goods, bespoke to the customer and the focus for ABC would be the Age range of 25 – 45 male and female groups.

Porter's Generic Strategies

Target Scope	Advantage	
	Low Cost	Product Uniqueness
Broad (Industry Wide)	Cost Leadership (Strategy)	Differentiation (Strategy)

Narrow (Market Segment)	Focus (Strategy) Low Cost	Focus (Strategy) Differentiation

would appreciate the range of products and the reasonable prices of these products in comparison to the highly priced products currently available. The pricing strategy would be achieved due to the online service options as opposed to the physical presence which some of the retailers have which would increase the business' overhead costs.

Kotler and Keller (2006),

ABC Brand:

There are various brand assessment models that can be used; which are mentioned below but for this report the BAV model has been used to focus the brand equity positioning of ABC:

- Brand Asset Valuator (BAV) Model
- Aaker Model
- Brandz
- Brand Resonance

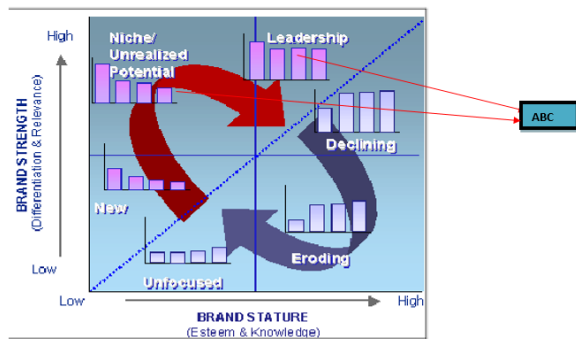
The Brand strength is medium to high as there are no competitors in Nigeria with the same business model of customizing leather products with cultural fabrics and providing it online , this creates a niche for ABC.

The ABC LTD product range will include the following leather products:

- Women's Handbags, Women's Shoes, Women's Accessories
- Men's Shoes, Men's Belts, Men's Wallets
- Office Mouldings

The ABC brand would fit in between the New and Niche/Unrealised Potential using the diagram below highlights the Brand strength as medium to high relative to differentiation and relevance to the consumer and in relation to Brand Stature ABC is in the middle leadership section in Nigeria for its esteem and knowledge. The arrows below indicate ABC's position in the market. This is based on the fact that most Africans currently focus on the

The worldwide success of a growing list of products that have become household names is evidence that consumers the world over, despite deep-rooted cultural differences, are becoming more and more alike - or, "homogenized". Theodore Levitt, The Globalization of Markets, Harvard Business Review, May/June 1983, p. 92-102



This strategy would somewhat be adopted for the general products and not the customised products, which would help reduce the production costs due to economies of scale.

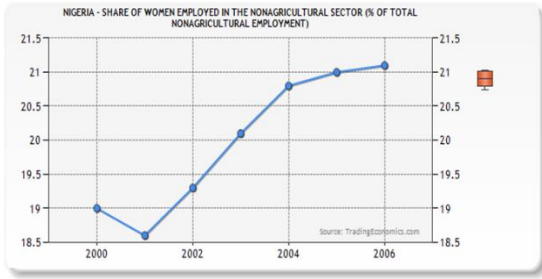
Kotler and Keller (2006)

cultural products due to the non-availability of western products at reasonable prices and the shortage of leather hides in Nigeria as reported by the BBC <http://news.bbc.co.uk/1/hi/world/africa/1021948.stm>.

These products have been selected based on the fact that Nigeria is in a state of flux where due to the global recession a lot of Nigerians in diaspora have returned to Nigeria to seek employment and business opportunities. These Nigerians are used to certain standards of goods and services which are currently missing in Nigeria; this is where ABC LTD “steps in” to offer their professional services.

The current consumers are the affluent Africans who have to travel outside of their countries to get these products. These calibres of people have limited time and would patronise and company that limits or eradicates their inconveniences. The less affluent

There is also a shift in the trend for women moving into more professional jobs and less of agricultural jobs as depicted by the graph below.



<http://www.tradingeconomics.com/nigeria>

**Product life Cycle:**

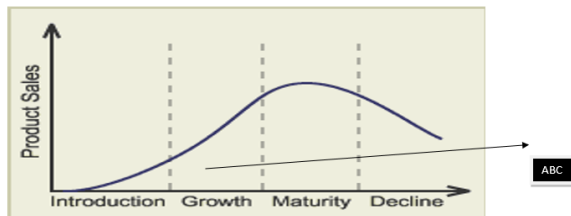
ABC’s products are in the introduction stage, using the 4Ps (Price, Product, Placement and Promotion) to make this assessment and the strategy to move to other stages of the life cycle;

**Pricing:** the strategy is to penetrate the market at a competitive price to gain market share, once this has been established and the appetites of the consumers is being met constantly;

**Product:** ABC has established its Intellectual property by obtaining its patent and trademark, with the quality standards and branding established.

**Promotion:** The products would be targeted at early adopters and innovators; advertisements would be to generate product awareness and enlighten latent consumers about the product.

**Placement:** This would be selective until proven to be accepted by consumers.



<http://www.bbc.co.uk/schools/gcsebitesize/business/marketing/brandingandpackagingrev2.shtml>

ABC strategy is to move across the product life cycle and not remain dormant in the introduction stage, Hayes and Wheelwright have identified 4 different strategies a business could use to survive.

- Strategy A is when a company enters the market early and leaves once the market is saturated and then re-enters with a new product due to its products flexibility and variety. This isn’t a common approach and can only be sustained by smaller companies with low volume products.
- Strategy B is when a company enters a market and stays throughout the entire product life cycle. This is the preferred strategy for ABC as well as the norm for most companies as highlighted by Hayes and Wheelwright. ABC intends to sustain this strategy
  - by being flexible to change its products design,
  - investing in the latest technology,
  - using the most cost effective suppliers in order to pass on to the consumers the benefits in savings,
  - ensuring a robust manufacturing and ordering process is in place as well diversifying its generic and bespoke product materials
  - Taking advantage of economies of scale where volume of products produced are increased
- when the company enters the market early and remains throughout the product’s entire life cycle. This is often considered the normal or most desirable strategy.
- Under Strategy C, the company waits until the products are accepted by the consumers before producing high volumes to capitalise on the consumers appetite. This is largely adopted by big multinational organisation.
- Strategy D occurs when strategy C has been adopted but the consumers do not embrace the product; the company then stops producing these products as they failed to gain any market share. This is never a chosen option for an organisation.

Hayes, R. H. and S. C. Wheelwright. 1979.

**Services**

ABC LTD will be offering a type of service mix called the Tangible good with accompanying service to complement its range of leather products and accessories. The services that will be offered by ABC LTD will include the following:

Special Events Ordering: Bulk supply of leather products to mark special occasions such as weddings,

birthdays, anniversaries and other social events. These products can be designed solely for the events in question with bespoke designs and branding to meet the customer's needs or by bulk ordering from the range of existing ABC LTD products.

His & Hers Gift Ordering: Married Couples or Partners can order bespoke designed products to mark wedding anniversaries, birthdays, engagements and valentine days.

The ABC LTD website will be available 24 hours, 365 days a year with a dedicated support team to address site issues and ensure the site is constantly updated with new product ranges and functionality. The majority of the ABC LTD product range will be unique to ABC LTD alone due to having in-house designers and prototypes, developed just in time by our Suppliers to meet the bespoke needs of our customer base. The ABC LTD product range will utilise the best quality leather materials and accessories to create high end products at affordable prices due to cost effective labour outsourcing. ABC LTD will be providing an order tracking facility rivalled with online customer support on the long term to ensure the highest standards in its customer service.

## II. RESEARCH ELABORATIONS

The ABC Business Plan will cover the marketing strategy, operational plan, SWOT Analysis, Budget and Finance and Organisational Cost of the Business.

## III. RESULTS OR FINDING

### Marketing Strategy

#### Market Analysis

The marketing concept ABC has chosen is the "Holistic marketing concept (HMC)" and not the Production, Product or selling concept. HMC encapsulates:

- all aspects of marketing
  - Internal Marketing
  - Socially Responsible Marketing
  - Relationship Marketing
  - Integrated Marketing
  - 4 Ps of marketing mix: Product, Price, Place, Promotion – The selling concept

Holistic Marketing Concept

- 4 Cs: customer's solution, Cost, Convenience, Communication – The Marketing Concept

Kotler and Keller (2006),

The target market for ABC LTD is made up of professionals and business people in the age band 25-45. This target group has a significant amount of disposable income and is more prone to online spending than any other age group / social group. This is due to the value they place on their time and hence would place a high premium on the shopping convenience accessible via the online store.

#### Retail:

Nigeria has one of the best-developed and most extensive retail industrial sectors in sub-Saharan Africa. This is due to its large population located in many large commercial centres, such as Lagos, Ibadan, Kano, Port Harcourt, Aba, and Onitsha, in addition to hundreds of smaller towns with more than 200,000 inhabitants. There is also hundreds of trading corporations, financial institutions, and a great variety of small business enterprises, many in the informal sector, along with thousands of large market (and roadside stands) in urban as well as rural areas.

The commercial centres house a variety of retail stores, restaurants, and secular and Christian bookshops that cater to the commercial and household needs of traders and residents. Nigerians now dominate the wholesale and retail trade which in colonial days had been virtually controlled by foreign companies from metropolitan Western Europe, Lebanon, Syria, and India. Nigerian women are playing an increasing role in the retail and distribution sector.

<http://www.nationsencyclopedia.com/economies>

The key factor enhancing the Nigerian economy is through the privatisation of the state entities which is increasing the middle class sector. As the population is 140 million, it represents a significant number of potential consumers.

This group tends to be well educated and quite ambitious. With Nigeria now attracting a lot of foreign companies and multinationals, consumers are exposed to a wider range of products. These include the private labels of some of the bigger companies.

The mall revolution:

Most Nigerians shop at markets or purchase their goods from traders and street vendors but city and state governments are seeing the tax benefits of more formalised trading. This, added to the rising expectations of consumers, has led to a modest boom in the development of shopping malls. This is expected to accelerate considerably in the near future.

As one would expect of the nation's foremost commercial centre, Lagos is at the forefront in building shopping malls. The Lagos City Mall is a well-established complex while the Silverbird Galleria, completed in 2004, offers the city's only multi-cinema complex. It was the building of The Palms in late 2005 however, which set a new bar by providing a wide choice of shopping experiences in a modern, customer-oriented, building.

<http://www.tradeinvestnigeria.com>

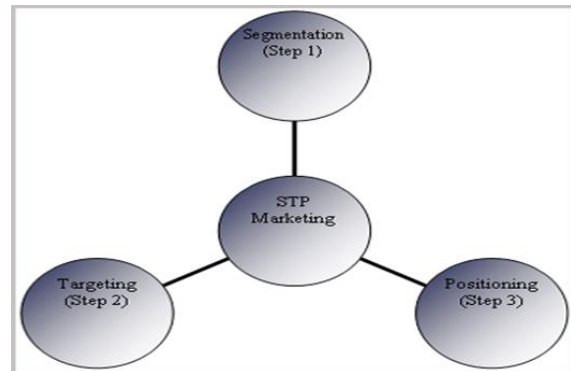
A total of 5% of retail sales now take place online. The online retail industry is constantly expanding with a low saturation rate (approx. 95% of the Nigerian retail market is off-line).

Nigerian Leather Goods manufacturers cannot compete on the quality with producers in countries such as India and China, which benefit from cheap labour and far less stringent environmental regulations. Like so many sectors of European manufacturing, the leather industry now tends to focus on the handmade, design-led, quality end of the market, where it has a well-deserved and long-standing reputation for quality, consistency and reliability. These facts go further to re-enforce the vision of the ABC LTD brand as becoming one of the pioneers in the Nigerian leather industry.

The ABC LTD product range will include leather handbags, shoes, belts and accessories. These products currently possess the following share of the Nigerian retail market: Leather Handbags, Leather Shoes, Leather Belts, Leather Wallets and Leather Mouldings.

Market Segmentation

The Segmentation, Targeting and Positioning Model has been used to analyse the market to be penetrated.



In the analysis of the market segments, the factors used to consider them are:

Cultural/ Behavioural: this is the mind-set of the society which these segments have grown up in. In this segment this can be divided into 2 types of behaviours:

- Consumers who have emigrated back to Nigeria from the western developed countries and are used to particular quality and standards of service;
- Consumers who have always been in Africa and prefer western goods with traditional flares.

Geographic: Lagos is the financial hub of Nigeria with a population of about 14million people, most of the foreign direct investment developments are situated in Lagos as well as Abuja which is the capital of Nigeria. These two locations would be the focus area of ABC Ltd.

Demographics: The demographics of the target groups have been described below pertaining to age, income and social class.

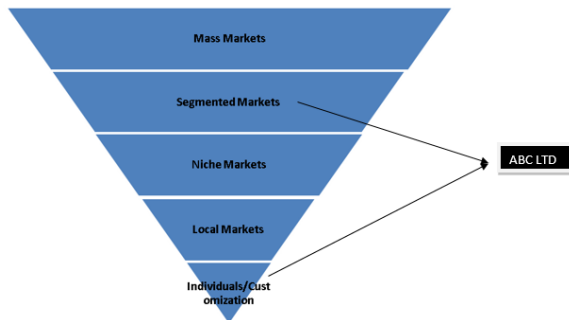
Psychographic: The group below perceive luxury goods or high valued western goods to good quality and would spend as much as required to get these goods, even if it would mean travelling to the western world to get these goods. Due to time constraints ABC would fill this gap in the market by bringing these high valued goods to their door steps.

There is potential in the size of these groups growing in the future due to factors like FDI's (foreign direct investments), which would encourage the growth of

the segments, currently minimal competition in this market, brand loyalty to high valued goods, etc. These are also factors ABC has considered to enter this market.

**Targeting**

Target Markets are the Segmented and Customization markets with the target groups as the Professional and Business men and women, with the high net worth house wives.



Kent Business School, Marketing Lecture (2009),  
Lecture 5: STP, Slide 4

**Target Groups:**

**Professionals:** This target market group has a significant amount of disposable income due to their higher-than-average earning power. Due to the level of disposable income available to this target group, they are more likely to be capable of making regular high end product purchases which fit well with the ABC LTD range of products and services. This target group tends to be trendy and willing to set aside a monthly budget to maintain their trendy lifestyle. This group's earning power ranges from medium to high and their buying power is moderate.

**Professional Woman:** This group represents the largest number of possible customers, typically in the age range 25-45, holding professional, managerial or executive jobs with a significant amount of disposable income. This group is currently estimated to be around 500,000 with an annual growth rate of 10%. This group of customers place a high premium on their time and tend to purchase high end and high-quality products to match their trendy lifestyle. A brief interview with a CEO of a bank in Nigeria highlights

the increase of female executives in Nigeria. <http://www.mckinseyquarterly.com>

**Professional Man:** This group is typically in the age range 25-65, also holding professional, managerial or executive jobs with a significantly higher amount of disposable income in comparison to the professional woman group. This group is currently estimated to be around 300,000 with an annual growth rate of 15%, as more men secure professional jobs in comparison with their female counterparts. However, the professional man group spends less on leather products in comparison to their female counterparts, hence the reduced size of the group.

**Business People:** This target market group ranges from high-net-worth individuals to small business owners. At both ends of the range, they are capable of making either frequent large value purchases or regular small value purchases which will provide a regular stream of income to the business. This target group will include re-sellers of the ABC LTD product range which will provide a steady stream of large volume purchases. Similar to the professionals target group, they are trendy and place a premium on maintaining their lifestyle of quality high end products. This target group's earning power and buying power exceeds the earning power of the professionals target group.

**Business Woman:** This group is typically in the age 25-45, running their own business or enterprise with a larger than average amount of disposable income. They place an extremely high premium on their time and tend to invest in high end products only. This group is currently estimated to be around 250,000 with an annual growth rate of 15%. This group is estimated to be the largest source of income to the business due to their spending power and interest in high end leather products.

**Business Man:** This group is usually in the age range 25-65, running their own business or enterprise with a disposable income base larger than the business woman group. They also place a very high premium on their time and occasionally purchase high end products. This group is estimated to be around 150,000 with an annual growth rate of 20%. This group is estimated to spend less on leather products in comparison to their female counterparts.



High Net worth House Wives: This group is within the age range 25-65, wealthy women with no full time jobs, place a low premium on their time and have a large disposable income base. They tend to spend on high end products only and prefer to buy in bulk. They are trendy and will spend regularly to maintain their lifestyle. This group is currently estimated to be around 200,000 with an annual growth rate of 5%.

This report depicts Nigeria’s middle class professional consumers have enough buying power for upmarket and luxury goods.

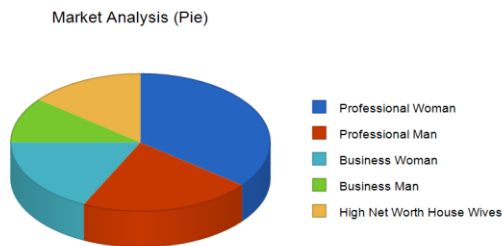
[http://www.tradeinvestnigeria.com/feature\\_articles/911249.htm](http://www.tradeinvestnigeria.com/feature_articles/911249.htm). The segment markets are “clustered” targeted towards certain people.

ABC anticipates targeting this proportion of its segmented groups in its first 5 years. See analysis below:

Table: Market Analysis

Market Analysis		Year 1	Year 2	Year 3	Year 4	Year 5	
Potential Customers	Growth						CAGR
Professional Woman	10%	500,000	550,000	605,000	665,500	732,050	10.00%
Professional Man	15%	300,000	345,000	396,750	456,263	524,702	15.00%
Business Woman	15%	250,000	287,500	330,625	380,219	437,252	15.00%
Business Man	20%	150,000	180,000	216,000	259,200	311,040	20.00%
High Net Worth House Wives	5%	200,000	210,000	220,500	231,525	243,101	5.00%
Total	12.57%	1,400,000	1,572,500	1,768,875	1,992,707	2,248,145	12.57%

Market Analysis Pie Chart:



the same benefits or attributes are not attainable with a competitive brand.

POD (Points of Difference):

Consumers require finding a product both desirable and deliverable for the product to pass the acid test of the market. Using a number of sub-factors:

Desirability:

Relevance: ABC is relevant due to the gap in the market for both bespoke and high valued products available.

Distinctiveness: It is a high valued good and non-common or unique.

Believability: It is a believable product due to the quality and standard of the leather used and where it is produced.

Positioning

ABC’s Positioning Strategy is based on the POP (Points of Parity) and POD (Points of Difference) frame of reference:

POP (Points of Parity): These are attributes or benefits that are not distinctively associated with this brand alone but shared with other competitive brands.

POD (Points of Difference): These are the attributes consumers strongly associate with a brand and believe

Deliverability:

Feasibility: The products represent exactly what they are; good quality so there would be no use to convince consumers on the standards of the products.

Communicability: The consumers would be aware by looking at the products of the quality of the products; there would be the original leather tags on all products with their associated guarantees as proof points for the consumers.

Sustainability: The product designs would be enhanced with other creative designs and techniques explored, with the suppliers situated in Italy the best makers of leather goods. The products are not produced in Nigeria and as such this model is complicated to assail.

Service Business Analysis

Research on the global Fashion, accessories and luxury goods market has been done and this enhances the potential for growth in the “other Countries” which Africa is a part of;

The Fashion, accessories and luxury goods market consists of men’s, women’s and infants clothing, jewellery, watches and leather goods. The leather goods sector consists of handbags, wallets and luggage. The market has been valued at retail selling price (RSP) and includes all applicable taxes. Any currency conversions used have been calculated using constant 2007 annual average exchange rates. For the purpose of this section, the Americas comprise Brazil, Canada, Mexico and the US.

Europe comprises Belgium, the Czech Republic, Denmark, France, Germany, Hungary, Italy, the Netherlands, Norway, Poland, Russia, Spain, Sweden and the UK. Asia-Pacific comprises Australia, China, Japan, India, Singapore, South Korea and Taiwan. The global figure comprises the Americas, Asia-Pacific Europe and other (Africa Inc). The global Fashion, accessories and luxury goods market grew by 4.6% in 2007 to reach a value of \$1.2 trillion. In 2012, the global Fashion, accessories and luxury goods market is forecast to have a value of \$1.5 trillion, an increase of 24.7% since 2007. Sales of women’s wear account for 47.5% of the global Fashion, accessories and luxury goods market’s value. Asia-Pacific is the

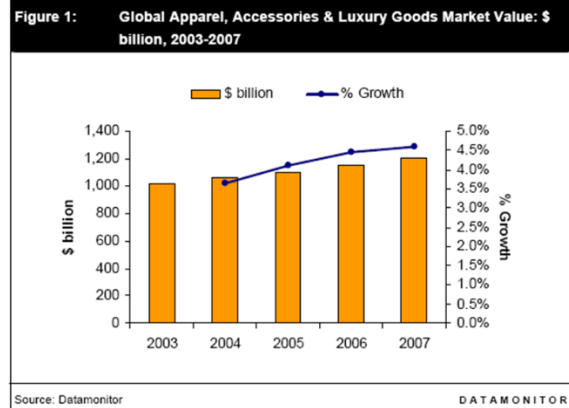
largest Fashion, accessories and luxury goods market, accounting for 34.1% of the global market's value. Christian Dior is the leading competitor in the global Fashion, accessories and luxury goods market, holding a 1.4% market share by value.

The compound annual growth rate of the market in the period 2003-2007 was 4.2%.

**Table 1: Global Apparel, Accessories & Luxury Goods Market Value: \$ billion, 2003-2007**

Year	\$ billion	% Growth
2003	1,022.3	
2004	1,059.6	3.60%
2005	1,102.9	4.10%
2006	1,152.0	4.40%
2007	1,204.8	4.60%
<b>CAGR, 2003-2007:</b>		<b>4.2%</b>

Source: Datamonitor DATAMONITOR

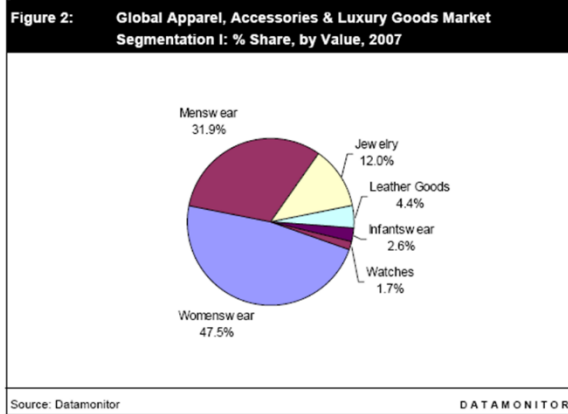


Sales of womens wear account for 47.5% of the global Fashion, accessories and luxury goods market’s value. In comparison, sales of leather goods generate 4.40% of the market’s revenues, this equates to \$44 million in 2007; with an expected growth to \$54.86 million by 2012.

**Table 2: Global Apparel, Accessories & Luxury Goods Market Segmentation I: % Share, by Value, 2007**

Category	% Share
Womenswear	47.50%
Menswear	31.90%
Jewelry	12.00%
Leather Goods	4.40%
Infantswear	2.60%
Watches	1.70%
<b>Total</b>	<b>100.0%</b>

Source: Datamonitor DATAMONITOR



Asia-Pacific is the largest apparel, accessories and luxury goods market, accounting for 34.1% of the global market's value.

In comparison, Europe generates a further 30.7% of the global market's revenues.

**Table 3: Global Apparel, Accessories & Luxury Goods Market Segmentation II: % Share, by Value, 2007**

Geography	% Share
Asia-Pacific	34.10%
Europe	30.70%
United States	20.60%
Other	14.60%
<b>Total</b>	<b>100.0%</b>

Source: Datamonitor DATAMONITOR



**Competition and Buying Patterns**

The luxury goods market is occupied with prevalent brands and since ABC's initial operating model is via

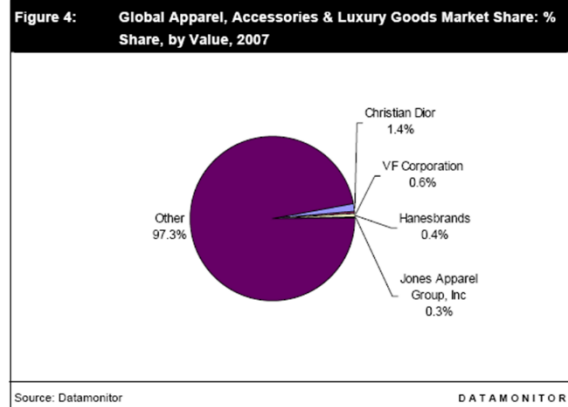
the online channel, the brands would be somewhat competitors with ABC. An analysis of the level of competitiveness has been done using Michael Porter's 5 forces Model.

Christian Dior is the leading company in the global Fashion, accessories and luxury goods market, holding a 1.4% market share by value. V F Corporation holds a further 0.6% share of the market's value.

**Table 4: Global Apparel, Accessories & Luxury Goods Market Share: % Share, by Value, 2007**

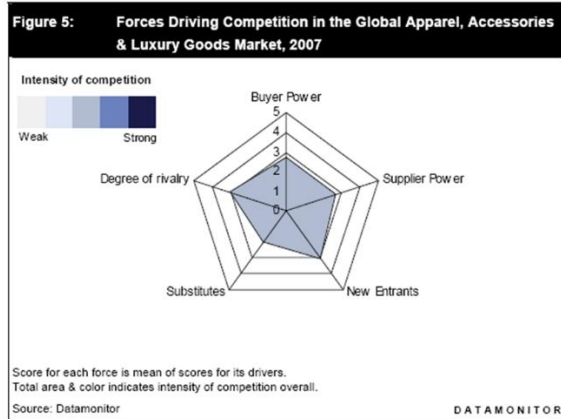
Company	% Share
Christian Dior	1.40%
V F Corporation	0.60%
Hanesbrands	0.40%
Jones Apparel Group, Inc	0.30%
Other	97.30%
<b>Total</b>	<b>100.0%</b>

Source: Datamonitor DATAMONITOR

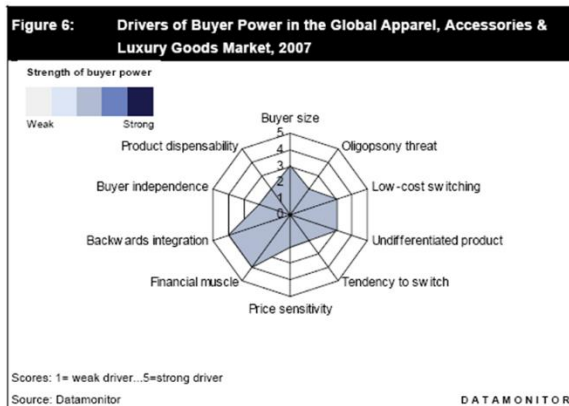


The global Fashion, accessories and luxury goods market consists of men's, women's and infants' clothing, jewellery, watches and leather goods. As a consequence of fashions and the variety of different functional categories, there is a great deal of differentiation within the market by brand, styles, fabric, and so on. Brand prestige is highly significant within this market ensuring that retailers remain obliged to offer end-consumers what they want, thus weakening buyer power. The profitability of individual companies depends on operation efficiency and the ability to secure contracts with product marketers. Access to distribution channels can be troublesome since brand prestige is highly important in this market. A possible substitute to products in this market exists in terms of counterfeit products. These are usually cheaper and greatly resemble original items. The ABC LTD range will primarily constitute

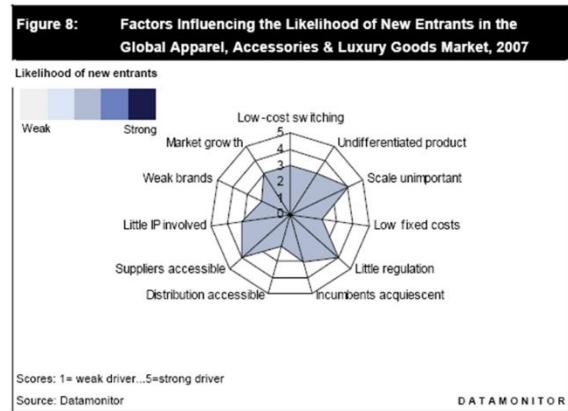
handmade products which are difficult to duplicate and will carry an embedded ABC LTD logo to identify authentic products. ABC LTD will also work closely with its product suppliers to ensure process efficiencies are constantly reviewed and implemented to maximise operational profitability.



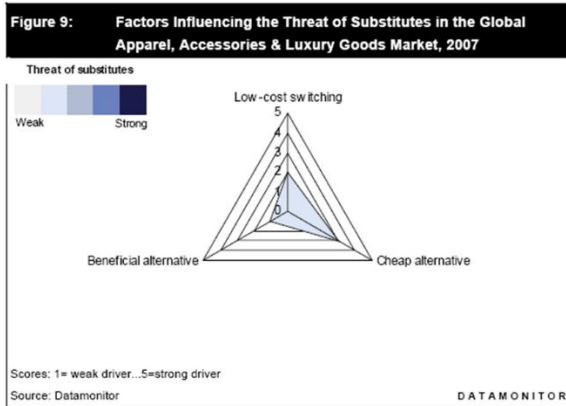
The global Fashion, accessories and luxury goods market consists of men’s, women’s and infants’ clothing, jewellery, watches and leather goods. Manufacturers of products are classed as market players, while buyers will be taken as retailers. There is a large market for non-designer goods. Forward integration by market players is evident in a number of cases with some large players owning and operating retail stores. However, backwards integration by a number of retailers is also a growing trend, with a number of retailers developing their own Fashion, accessories and luxury goods lines. Buyer power in this market is assessed as moderate overall. ABC LTD is positioned with the backwards integration movement as we will be developing our own range of products.



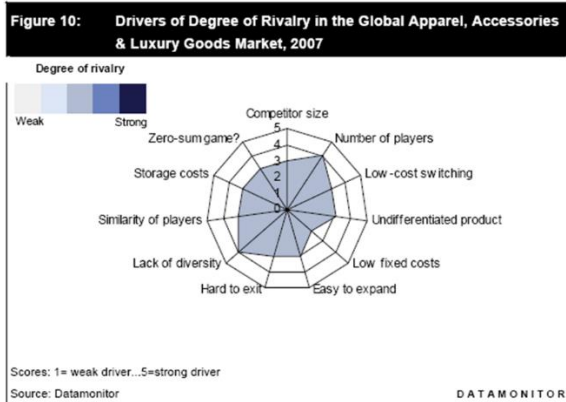
The Fashion, accessories and luxury goods market is highly labour-intensive. Skilled employees are required to design, manufacture and market products. Other inputs include fabrics, dyes, metals, leather etc. Such products are generally sourced from a number of suppliers with no one supplier accounting for a majority proportion of inputs. ABC LTD will employ skilled independent contractors who own the raw materials and ship only finished ready-for-sale products. Contractors have stronger supplier power due to the importance of quality and efficiency in their supplies. ABC LTD will establish relationships with two or more Contractors to limit the influence of the supplier power on the ABC LTD supply chain. Supplier power is assessed as moderate overall.



Entry to the market may be achieved by a new company or by an existing company diversifying its operations. Success is largely dependent on end-consumer tastes. There are generally few economies of scale in the manufacture of goods in this market due to the high labour content of most products. ABC LTD aims to compete effectively by specializing in the manufacture of unique, high quality, handmade leather products. However, large companies possess the ability to build brands in multiple retail outlets, and have greater buyer power when negotiating with suppliers, which allows them to compete more intensely on price. ABC LTD would compete with the current key market players, not on price, but on the uniqueness and quality of the ABC LTD product range. Overall, there is a moderate likelihood of new entrants.



A possible substitute to products in this market is home-made products. However, while this may be a cheaper alternative, the process can be time consuming and the resulting products are not often of comparable quality. A more viable threat may exist in terms of counterfeit products. These are usually cheaper and greatly resemble original items. However, these can often be of lower quality. The threat of substitutes is moderate overall.



Rivalry is strengthened due to success being dependent on anticipating and catering for changing end-consumer tastes. The differentiation that can exist between products can ease rivalry to an extent. Manufacturers also face competition from a number of retailers who have extended their operations to produce their own label products. Furthermore, the presence of counterfeit products in the market puts further pressure on market players. Rivalry within this market is assessed as moderate overall.

The leading competitor to the ABC LTD range is Christian Dior, this is a French group engaged in the

production and sale of luxury goods. The group is active in a number of segments including wines and spirits; fashion and leather goods; fragrances and cosmetics; jewellery and selective retailing sectors. The group operates in France, the UK, the US, Italy, Germany, Asia-Pacific, the Middle East and Europe. The group operates through three companies: Christian Dior Couture (100% owned), Financière Jean Goujon (100% owned) and LVMH (42.5% owned). The group's fashion and leather goods division produces and markets premium leather goods under the following brands: Louis Vuitton, Fendi, Celine, Loewe, Donna Karan New York, Givenchy, Kenzo, Berluti, Thomas Pink and Gucci.

VF Corporation (VFC) is the second largest competitor to the ABC LTD range and it is a leading manufacturing and marketing company in the US, offering branded Fashion and other related products. The company operates in the US and Europe. The company's businesses are organized into five business segments: Jeans wear, outdoor, image wear, sportswear, and others. Jeans wear and related shirts and casual products are marketed in the US and international markets. Lee and wrangler are the company's largest brands in this segment. The sportswear segment product include Nautical, John Varvatos and Kipling. John Varvatos brand is a luxury Fashion and accessories collection for men, including clothing, sportswear, leather accessories and footwear. Kipling bags and accessories are sold through departmental stores and VFC operated retail stores.

In 2012, the global Fashion, accessories and luxury goods market is forecast to have a value of \$1.5 trillion, an increase of 24.7% since 2007. The compound annual growth rate of the market in the period 2007-2012 is predicted to be 4.5%.

**Table 13: Global Apparel, Accessories & Luxury Goods Market Value**  
Forecast: \$ billion, 2007-2012

Year	\$ billion	% Growth
2007	1,204.8	4.60%
2008	1,257.1	4.30%
2009	1,312.5	4.40%
2010	1,372.6	4.60%
2011	1,436.2	4.60%
2012	1,502.3	4.60%
<b>CAGR, 2007-2012:</b>		<b>4.5%</b>

Source: Datamonitor DATAMONITOR



**Marketing Strategy**

The initial marketing would be through a luncheon of the Brand with sample products available as well as products for sale on the day. This is the message strategy, creating the awareness of the brand into the public. The use of inspirational celebrity’s would be beneficial to the brand as well as there are consumers that follow the trends set by celebrities, the likelihood of them trusting the product increases if seen with a celebrity thereby encouraging their purchase of the goods.

Other channels used would be:

Newsletters and Mail shots will play a key role in establishing initial market presence with new customers as they register online.

The website will also be used to capture data about customers and their buying patterns / preferences to provide focus for future marketing campaigns.

Word of Mouth will be crucial to the expansion of the business as existing customers market the products to potential customers.

Mail Postcards will be used extensively to create product range and website awareness.

Search Engine Optimisation where links to the website will be available when key word searches are completed on Google, Yahoo or other major search engines.

Stands in major retail outlets Lagos and Abuja. Adverts in industry magazines and publications will play a key role in creating industry level awareness for industry insiders and focus groups.

Billboard advertisements would also be a marketing tool used for advertising the products and brand.

**Sales Strategy**

**Closing Sales Prospects:** The ABC LTD Marketing Strategy will generate a large number of online and referral based sales prospects which need to be closed in a timely manner. Sales prospects will arise from the online marketing campaign and sales partners. Closure would be facilitated by the online payment processing tool (PayPal) which is a globally recognised and secure facility for collecting payments. Online payment processing makes closure quick and effectively integrated with the customer’s email and delivery details for order processing.

**Compensating Salespeople:** ABC LTD will set up a Sales Partners programme to enable new and existing customer’s to refer potential customers to the ABC LTD website. Sales Partners would receive a fixed rate of commission for each product sold from a referred customer. Each Sales Partner would receive a unique code (on registration as a Sales Partner) for identifying the sales they generate and would share this code with their referrals for placing orders online. This approach ensures there are no additional overheads to ABC LTD for maintaining a Sales Force on a payroll basis. This approach also means the Sales Partners programme can expand exponentially as there will be no restrictions to the size of the programme globally.

**Order Processing & Database Management:** The ABC LTD website will process orders using the PayPal System which also automates the creation of order notifications/receipts to the customer’s email address. The online database will interface with the PayPal System in the generation of future order notifications for existing customers. The online database would be updated on a daily basis to ensure accurate stock levels

are presented to customers for placing orders. Customer contact details, purchase history and buying patterns will be logged and updated within the customer's ABC LTD account to support order enquiries. The creation of an ABC LTD online account for customers will generate repeat sales due to the online marketing campaign's use of newsletters.

**Manoeuvre Pricing:** All product prices on the database are accessible via the Site Administration Panel, this will enable real time access to change product prices as required to meet market demands and changes in the supply chain. The flexibility in price amendments will ensure ABC LTD reacts in a timely manner to market changes driven by competition and changes in customer buying patterns.

**Order Delivery and Conditions:** ABC LTD will hold a limited amount of stock in the UK as most of the products will be shipped directly from the Suppliers to the Customers. ABC LTD will adopt the "just in time" model which also means the Suppliers will hold limited amounts of stock. ABC LTD suppliers will provide facilities for online tracking of delivery by adopting barcode technology. Delivery timescales will range from 3-5 days for bespoke products to 2-3 days for standard products. All terms and conditions relating to the order delivery will meet all relevant UK standards of service and will clearly state the customer's rights for returns and or refunds.

**Sales Forecast**

Year 1 Sales are expected to be linear and progressive with a steady unit growth rate of 10-12% in the first 12 months of trading as the benefits of the uniqueness of the ABC LTD product range start to produce rewards. The Year 1 sales growth will also be highly dependent on the success of the dynamic and internet based marketing campaign. Year 1 forecasts a sales value of £244k with total unit sales of 1,589. Sales are estimated to grow on an average rate of 30%-35% over the first five years as the ABC LTD range diversifies its style, positioning and designs to

establish a niche in its market. By Year 5 the forecast sales figure is £975.5k with a unit sales value of 6,210. Year by year sales are expected to be bolstered by Ladies Leather Bags and Leather Shoes as these products are expected to outsell the other products due to the target customer base profile (size and spending patterns) and the popularity of the products. Sales of leather mouldings are estimated to be modest with men's leather wallets being the lowest selling product range. Sales revenues from the Men's product ranges are estimated to be lower in comparison with the Ladies' product range due to the size and spending patterns of that customer base profile.

The main driving forces behind the sales forecast include the product quality/uniqueness, the marketing campaign, the sales strategy and management processes (particularly customer relationship management). Unit prices in the forecast are fixed for the purpose of forecasting only, but are expected to increase in line with inflation. The sales partner programme is expected to play a crucial role in achieving the sales targets as it is expected to grow exponentially in partnership with the online marketing campaign.

The sales forecast is deemed achievable due to the market size, spending patterns of the target audiences, current trends in customer taste and the reach of the internet to a global customer base. The current forecast figures would be dramatically impacted by a drastic change in customer taste, reduced seller power and reduced disposable income in the target audiences being serviced by ABC LTD.

The main assumptions for upholding the sales forecast are a stable and growing customer base, increased cash flow in the economy, stable customer taste for niche / bespoke products and the lack of political, sociological, technological and environmental restrictions on sales growth.

Table: Sales Forecast

<i>Sales Forecast</i>					
Unit Sales	Year 1	Year 2	Year 3	Year 4	Year 5

Ladies Leather Bags	433	470	500	550	650
Ladies Leather Shoes	480	520	540	600	700
Men's Leather Shoes	196	200	220	270	320
Men's Leather Belts	132	150	180	200	230
Men's Leather Wallets	218	230	270	300	330
Leather Mouldings	130	140	160	200	240
<b>Total Unit Sales</b>	<b>1,589</b>	<b>1,710</b>	<b>1,870</b>	<b>2,120</b>	<b>2,470</b>
<b>Unit Prices</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Ladies Leather Bags	£240.00	£240.00	£240.00	£240.00	£240.00
Ladies Leather Shoes	£150.00	£150.00	£150.00	£150.00	£150.00
Men's Leather Shoes	£175.00	£175.00	£175.00	£175.00	£175.00
Men's Leather Belts	£35.00	£35.00	£35.00	£35.00	£35.00
Men's Leather Wallets	£45.00	£45.00	£45.00	£45.00	£45.00
Leather Mouldings	£150.00	£150.00	£150.00	£150.00	£150.00
<b>Sales</b>					
Ladies Leather Bags	£103,891	£112,800	£120,000	£132,000	£156,000
Ladies Leather Shoes	£71,993	£78,000	£81,000	£90,000	£105,000
Men's Leather Shoes	£34,336	£35,000	£38,500	£47,250	£56,000
Men's Leather Belts	£4,623	£5,250	£6,300	£7,000	£8,050
Men's Leather Wallets	£9,810	£10,350	£12,150	£13,500	£14,850
Leather Mouldings	£19,500	£21,000	£24,000	£30,000	£36,000
<b>Total Sales</b>	<b>£244,152</b>	<b>£262,400</b>	<b>£281,950</b>	<b>£319,750</b>	<b>£375,900</b>
<b>Direct Unit Costs</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Ladies Leather Bags	£96.00	£96.00	£96.00	£96.00	£96.00
Ladies Leather Shoes	£52.50	£52.50	£52.50	£52.50	£52.50
Men's Leather Shoes	£70.00	£70.00	£70.00	£70.00	£70.00
Men's Leather Belts	£10.50	£10.50	£10.50	£10.50	£10.50
Men's Leather Wallets	£15.75	£15.75	£15.75	£15.75	£15.75
Leather Mouldings	£67.50	£67.50	£67.50	£67.50	£67.50
<b>Direct Cost of Sales</b>					
Ladies Leather Bags	£41,556	£45,120	£48,000	£52,800	£62,400
Ladies Leather Shoes	£25,198	£27,300	£28,350	£31,500	£36,750
Men's Leather Shoes	£13,734	£14,000	£15,400	£18,900	£22,400
Men's Leather Belts	£1,387	£1,575	£1,890	£2,100	£2,415
Men's Leather Wallets	£3,433	£3,622	£4,252	£4,725	£5,197
Leather Mouldings	£8,775	£9,450	£10,800	£13,500	£16,200
<b>Subtotal Direct Cost of Sales</b>	<b>£94,083</b>	<b>£101,068</b>	<b>£108,693</b>	<b>£123,525</b>	<b>£145,363</b>

Chart: Sales Monthly

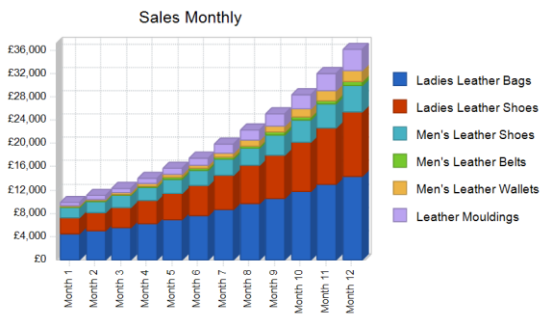
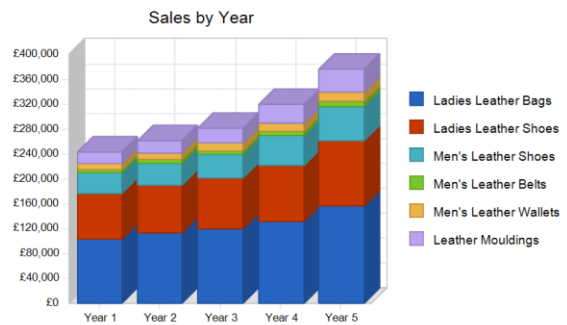


Chart: Sales by Year





Business Initiation Milestones

The following table lists important programme milestones, with dates and managers in charge, and budgets for each. The milestone schedule indicates our emphasis on planning for implementation of the launch of ABC products. The most important programmes are the sales and marketing programmes listed in detail in the previous topics.

Table: Milestones

Milestones	Start Date	End Date	Budget	Manager	Department
Website Launch	09/08/2010	17/03/2011	£1,000	Mike Bami	ICT
ABC LTD Business Processes	09/08/2010	07/11/2010	£200	Mike Bami	Operations
ABC LTD Business Plan	09/08/2010	08/09/2010	£150	Mike Bami	Operations
ABC LTD Marketing Plan	09/08/2010	08/09/2010	£250	Mike Bami	Marketing
ABC LTD Supplier Contracts	09/08/2010	28/10/2010	£500	Mike Bami	Procurement
ABC LTD Launch Event	09/08/2010	02/11/2011	£3,000	Agnes Bami	Marketing

Marketing Campaign	09/08/2010	03/10/2011	£5,000	Agnes Bami	Marketing
Initial Designs	09/08/2010	16/01/2011	£2,000	Agnes Bami	Designs
Initial Product Photo shoot	09/08/2010	25/02/2011	£500	Agnes Bami	Marketing
Admin & Setup	09/08/2010	28/10/2010	£1,000	Agnes Bami	Operations
Stock Purchase	09/08/2010	05/02/2011	£15,000	Agnes Bami	Procurement
<b>Totals</b>			<b>£28,600</b>		

Chart: Milestones

Operational Plan

Web Plan Summary

The ABC LTD website will be inviting, interactive and representative of the ABC LTD ethos which is unique, innovative and trendy. The website will employ the use of modern photography, flash technology and cutting edge background designs and mobile technology. The main objective is to create a user friendly and engaging environment to encourage regular and extended visits. As the ABC LTD business platform would be predominantly online, it would be crucial to integrate the site's functionality with the marketing campaign and tools.

Website Marketing Strategy

ABC LTD will maintain a two-way link between our website and our product suppliers; as well as our partner sites. In addition to using the site as a sales tool, ABC LTD will develop a fortnightly newsletter

distributed via email to the registered customers with various hyperlinks to the ABC LTD site embedded.

The world is in the wireless age Post dot.com O'Connor et al (2004) hence an online presence is critical to this business. Information exchange and profiling of the products and services would be advertised through social networks e.g. Facebook, linked in, Google, etc.

ABC LTD will also market the site on all major search engines by adopting effective search engine optimisation techniques on the site.

The site will also be marketed via posted flyers to selected customers from the online post office databases as well as via stand at exhibitions, adverts in industry publications and retail magazines.

#### Development Requirements

The ABC LTD website will be initially developed with few technical resources. A simple hosting provider has been secured to provide the hosting and the technical back end.

A website developer has been employed to design the user interfaces, integrate photos, employ flash technology and include graphics on the site.

The website maintenance contract will be left to provide a dedicated maintenance resource(s) which will manage the generation of newsletters, site updates, bug fixes and stock level / product range changes.

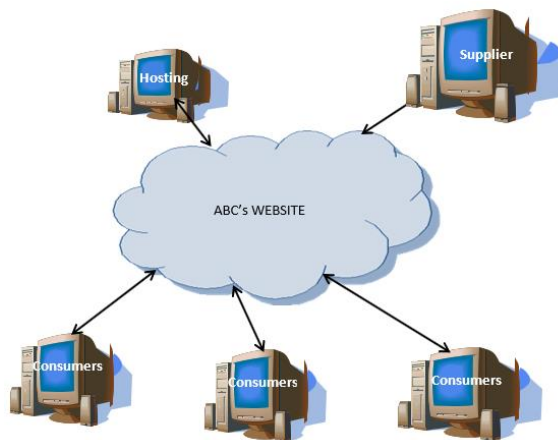
The primary focus for *ABC LTD's* marketing strategy must be to increase sales and profitability in its core online business quickly without resorting to the expense of direct mail flyers that have not been thoroughly market-tested. This can be achieved by gaining entry into the large business supply retailers and to take the necessary steps to make the ABC LTD website a dynamic and interactive sales generating tool.

#### SWOT Analysis

The main strengths of the ABC LTD range are Technology, Quality, Innovation, a Sociological Focus and a sustainable Capital base. The key weaknesses include Internet Security, lack of a traditional business operating platform and the size of the marketing budget in comparison to the current key players in the industry. Internally, the ABC LTD strengths outweigh the weaknesses identified and unless there are gross mismanagement practices, the business model should be sustainable.

The main opportunities presented to ABC LTD are shifts in customer buying preferences to less traditional platforms (i.e. online), dissatisfaction with lower quality products and the economic growth in emerging regions (Asia Pacific). Threats identified are political, economic, legal or sociological in nature and these are generic threats to any new venture. The opportunities however can capitalise on a current economic shift on a global scale and also a shift in buyer psychology; both factors possess significant mileage to ABC LTD over the next 5-10 years of business.

The internal factors and external factors are favourable for the launch of the ABC LTD product range as long as extensive due diligence is completed on the target markets, customers, business model and platform.



Strategy and Implementation Summary

		Positive	Negative
Internal factors	Strengths	<ul style="list-style-type: none"> <li>&gt;Technological skills</li> <li>&gt;Leading Brands</li> <li>&gt;Distribution channels</li> <li>&gt;Customer Loyalty / Relationship</li> <li>&gt;Production quality</li> <li>&gt;Scale</li> <li>&gt;Management</li> </ul>	<ul style="list-style-type: none"> <li>&gt;Absence of important skills</li> <li>&gt;Weak brands</li> <li>&gt;Poor access to distribution</li> <li>&gt;Low customer retention</li> <li>&gt;Unreliable product / service</li> <li>&gt;Sub-scale</li> <li>&gt;Management</li> </ul>
	Opportunities	<ul style="list-style-type: none"> <li>&gt;Changing customer tastes</li> <li>&gt;Liberalisation of geographic markets</li> <li>&gt;Technological advances</li> <li>&gt;Changes in government politics</li> <li>&gt;Lower personal taxes</li> <li>&gt;Change in population age-structure</li> <li>&gt;New distribution channels</li> </ul>	<ul style="list-style-type: none"> <li>&gt;Closing of geographic markets</li> <li>&gt;Technological advances</li> <li>&gt;Changes in government politics</li> <li>&gt;Tax increases</li> <li>&gt;Change in population age-structure</li> <li>&gt;New distribution channels</li> </ul>
External factors			Threats
			<ul style="list-style-type: none"> <li>&gt;Changing customer tastes</li> <li>&gt;Closing of geographic markets</li> <li>&gt;Technological advances</li> <li>&gt;Changes in government politics</li> <li>&gt;Tax increases</li> <li>&gt;Change in population age-structure</li> <li>&gt;New distribution channels</li> </ul>

Kotler and Keller (2006),

**Strengths**

**Production Quality:**

ABC LTD will employ the services of highly skilled and experienced leather goods manufacturers from Italy with the same mind-set for producing innovative, high quality and tailored goods to the end customer. The best quality in leather materials will be used to create the ABC LTD product range and the designs will be unique to ABC LTD alone making it a designer product range.

**Skills:**

ABC LTD design team will be young, progressive and innovative in the bespoke designs they create and will most likely be fresh from the fashion schools or young designers seeking to breakthrough into the design industry. This will ensure their competitiveness is fostered and skills are fine-tuned as part of a progressive design team.

**Financial Base:**

ABC LTD's capital base will be sufficient and stable enough to sustain the initial setup costs, the marketing efforts and implementation of the sales strategy. The capital base will be hedged by a portfolio of diversified investments.

**Scale:**

The ABC LTD business operating platform will be global in its reach to a global customer base which means that its customer base can grow exponentially. Online businesses are easy to adapt to dynamic industry fluctuations and scalable to support expansion efforts.

The online platform also augments the online marketing campaign with marketing tools being effectively integrated with the website. Website based marketing monitoring can also be captured, processed and formatted to support on-going marketing efforts.

**Customer Loyalty/ Relationship:**

The ABC LTD website will provide an online platform for developing a one to one relationship with its Customers and Sales Partners by creating online customer accounts. This will foster a sense of ownership particularly for the Sales Partners to become pseudo shareholders in ABC LTD.

**Weaknesses**

**Unknown Brand:**

The ABC LTD business will launch without a high street presence and this may be seen as a disadvantage due to the lack of physical contact with a luxury product. Customers requiring a physical inspection prior to purchase might not patronise the business initially until the physical presence has been established.

**Technology advances:**

The website may be prone to cyber-attacks and viruses; this will require a dedicated IT support team with internet security expertise and tools to safeguard the details of customers, transactions and the product catalogue.

**Financial base:**

The sales and marketing budget might not be large enough to cope with the demands of competition within the industry. As new entrants, existing key players will have well established operations and significant turnovers and ABC LTD might not be able to compete effectively with their marketing efforts initially.

**Opportunities**

**Changing Customer tastes / Liberalisation of geographic markets:**

The luxury goods market is rife with cheap, lower quality imitations of leather goods; the ABC LTD range will be refreshing and catering to the tastes of customers requiring high quality, unique and customisable products.

The relevant market segments place a high premium on their time and this trend is developing amongst non-target market segments; the internet enables faster ordering and delivery of the products to the customers at their chosen location globally.

#### Corporate social responsibility:

ABC LTD will capitalise on its relationships with the Local Community bodies and Educational Institutions to sponsor and fund development initiatives in Nigeria initially and on a global basis as the business expands. This will ensure ABC LTD becomes an active partner for social reforms in Nigeria and provide a socio-centric positioning for the product range.

#### Changes in government policies:

ABC LTD products will be environmentally safe and mindful of the relevant legislation in the areas of Environmental Conservation and will market itself accordingly as a friend of the earth.

#### New distribution channels:

The current economic booms in the Asia Pacific region is a growing trend and is expected to maintain a steady growth over the next 8-10 years; this region is also the largest consumer of luxury goods in the world. This provides a great opportunity for ABC LTD to establish a presence in those regions and expand as the emerging economies expand.

#### Business expansion:

The leather goods market is not established in the developing world, with market saturation virtually inexistent, there is a significant amount of disposable income in the developing economies coupled by their high demand for leather goods will provide a stable foundation for business expansion.

#### Threats

##### Change in customer tastes:

There is a threat of cheap substitutes in the leather goods market that could impact sales values, however, this threat is mitigated by the niche nature of the ABC LTD range. The ABC LTD products are handmade and bespoke in design. The use of the imprinted ABC LTD logo on our products will also reduce the risk of counterfeit products being manufactured.

Negative shifts in customer preferences for leather goods driven by negative media or press coverage might also impact sales figures.

#### Change in government policies:

In the event of legislature being introduced that negatively impacts the sales of leather goods, the ABC LTD product range would be impacted from a pricing front which would reduce the demand for ABC LTD products.

An economic downturn in Nigeria or any of our target economies, particularly the African region would result in lower sales values. Survival options that could be explored would include reducing supplier costs, overheads and introducing an ABC LTD subsidiary range for middle end customers.

#### Distribution channels:

ABC LTD suppliers might also introduce price increases driven by local economic dynamics or internal overheads which might be transferred to ABC LTD customers. ABC LTD would have to source alternative suppliers or negotiate new terms with suppliers.

#### Competitive Edge

The ABC LTD products are unique in their design and will be progressive by introducing trend setting designs into an established market.

The prices will reflect the lower cost of labour in Italy although this would not impact the quality of the products; due to the high skills or craftsmanship possessed by the Suppliers.

The ABC LTD business model isn't traditional as it will not employ a dedicated sales force, but sales partners with an entrepreneurial flair and passion to build a sustainable income stream from the ABC LTD sales.

#### Budget and Finance

##### Start-up Expenses

Legal: This includes legal costs relating to the Registration of the Company, shareholder allocations, logo copyrights and other associated legal expenses.

**Stationery:** Stationery costs include the ABC LTD logo design, marketing stationery, letter headed papers, flyers and other corporate identity materials.  
**Insurance:** This will cover the purchase of Corporate Insurance cover in the areas of employer's liability, professional indemnity and public liability.

**Marketing:** Marketing costs will include costs associated with the ABC LTD online marketing campaign, royal mail marketing efforts, brochures and adverts.

**Website:** This will cover costs associated with developing, testing, updating and launching the ABC LTD website. A professional website developer will be employed to complete the Website project.

**Stock:** Stock purchases to cover 2 months of operations will be required on day one of launching the website to cater for initial customer orders.

**Designs:** ABC LTD will be designing unique and bespoke products only available in the ABC LTD range. These costs will cover the first 2-3 designs and prototypes for the ABC LTD range which would later be mass produced for ABC LTD customers only.

**Launch Event:** ABC LTD will be organising a Brand Launch Event in Lagos to create increased awareness and exposure of the ABC LTD range to industry insiders, leather product enthusiasts, potential retail customers and business customers.

**Start-up Assets**

**Cash Required:** This amount relates to cash in hand on day one of operations to cover short term running costs. It will provide cash flow injection to keep the business running smoothly for the first 2 months of operations until sales revenue starts to increase.

**Start-up Stock:** The stock purchased at the onset of the business to sustain 2 months of ABC LTD operations; has a significant resale value to other retailers and wholesale consumers.

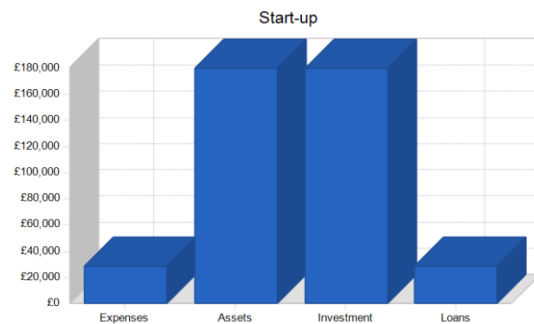
**Other Current Assets:** ABC LTD does not foresee any other current assets apart from those identified already.

**Fixed Assets:** These assets refer to the investments at the disposal of ABC LTD which can be sold/leased to provide additional funding to meet the costs of running the business where the current assets are insufficient.

Table: Start-up

Start-up	
Requirements	
Start-up Expenses	
Legal	£100
Stationery etc.	£1,500
Insurance	£500
Photography	£500
Marketing	£5,000
Website	£1,000
Stock	£15,000
Designs	£2,000
Launch Event	£3,000
Total Start-up Expenses	£28,600
Start-up Assets	
Cash Required	£15,000
Start-up Stock	£15,000
Other Current Assets	£0
Fixed Assets	£150,000
Total Assets	£180,000
<b>Total Requirements</b>	<b>£208,600</b>

Chart: Start-up



**Organizational Cost**

**Management Summary**

ABC LTD's management team is comprised of experienced entrepreneurs and business professionals from the technology management and financial services industries. Our management team possesses a breadth of functional experience in project management, software development, fashion designs, strategic partnering, professional services and corporate finance. Mr. Michael Bamidele and Mrs. Agnes Bamidele will share the senior management responsibilities with Mrs. Bamidele directing the sales/marketing, designs development and finance efforts and Mr. Bamidele directing the distribution, operations and production. The organisational structure and personnel plan reflect our intentions to maintain an organisation that is customer oriented and technologically proficient, while efficiently managing cost controls and productivity.

**Personnel Plan**

**Production Manager** - This part time role is required to manage the production activities and to manage relationships with the Suppliers. This executive will manage the supply chain, distribution and product development activities.

**Production Support** - This role supports the Production Manager. This is a part time role costed at £250 per month.

**Sales & Marketing Manager** - This role is required to manage the sales and marketing efforts and initiatives. This executive will be accountable for the success of the marketing campaign. This role will focus on the success of the sales and marketing strategies.

**Sales & Marketing Support** - This role will support the Sales & Marketing Manager. This is a part time role costed at £250 per month.

**Office Manager** - The office manager will be responsible for managing the administrative activities and day to day running of the ABC LTD office.

**Office Administrator** - This role provides administrative support to the Office Manager on a part time basis. It is a role costed at £200 per month.

**Designer 1 & 2** - The ABC LTD designer will create unique and bespoke designs for the ABC LTD range. The designs will be sent to the Italian Suppliers for production.

Table: Personnel

<i>Personnel Plan</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Production Personnel					
Production Manager	£4,200	£4,620	£5,000	£5,500	£6,000
Production Support	£2,400	£2,640	£2,900	£3,120	£3,400
Subtotal	£6,600	£7,260	£7,900	£8,620	£9,400
Sales and Marketing Personnel					
Sales & Marketing Manager	£4,200	£4,700	£5,200	£5,700	£6,200
Sales & Marketing Support	£2,400	£2,700	£3,000	£3,300	£3,600
Subtotal	£6,600	£7,400	£8,200	£9,000	£9,800
General and Administrative Personnel					
Office Manager	£3,600	£4,000	£4,400	£4,800	£5,200
Office Administrator	£2,400	£2,700	£3,000	£3,300	£3,600
Subtotal	£6,000	£6,700	£7,400	£8,100	£8,800

Other Personnel					
Designer 2	£3,600	£4,000	£4,400	£4,800	£5,200
Designer 1	£3,600	£4,000	£4,400	£4,800	£5,200
Subtotal	£7,200	£8,000	£8,800	£9,600	£10,400
Total People	4	4	4	4	4
Total Payroll	£26,400	£29,360	£32,300	£35,320	£38,430

**Financial Plan**

The premier element in our financial plan is initiating, maintaining, and improving the factors that create, stabilise, and increase our cash flow:

1. We must create product range visibility and accessibility to increase customer flow
2. We must encourage repeated sales and maintain a stable and increasing customer base
3. Create a brisk turnaround on our retail products, always maintaining viable stock levels

**Start-up Funding**

**Short Term Loans** - A short term loan of £5000 will be secured against a low interest rate Credit Card. This will ideally provide 2 years of interest free credit.

**Long Term Loans** - A five year loan of £9,300 will be secured to help in financing the Business. It will be a secured loan against Investor Assets and hence should offer lower rates of interest.

**Cash Injection** - Investors will be required to make an investment of £14,300 into the Business in the form of cash injection.

**Secured Equity Release** - Investors will have a capital base of £180,000 available to the Business for liquidation if required to support the first 5 years of operations.

Table: Start-up Funding

<i>Start-up Funding</i>	
Start-up Expenses to Fund	£28,600
Start-up Assets to Fund	£180,000
<b>Total Funding Required</b>	<b>£208,600</b>
<b>Assets</b>	
Non-cash Assets from Start-up	£165,000
Cash Requirements from Start-up	£15,000
Additional Cash Raised	£0
Cash Balance on Starting Date	£15,000
<b>Total Assets</b>	<b>£180,000</b>
<b>Liabilities and Capital</b>	
<b>Liabilities</b>	
Current Borrowing	£5,000
Fixed Liabilities	£9,300
Accounts Payable (Outstanding Bills)	£0
Other Current Liabilities (interest-free)	£14,300
<b>Total Liabilities</b>	<b>£28,600</b>
<b>Capital</b>	
<b>Planned Investment</b>	
Mike Bamidele	£90,000
Agnes Bamidele	£90,000
Additional Investment Requirement	£0
<b>Total Planned Investment</b>	<b>£180,000</b>
Loss at Start-up (Start-up Expenses)	(£28,600)
<b>Total Capital</b>	<b>£151,400</b>
<b>Total Capital and Liabilities</b>	<b>£180,000</b>
<b>Total Funding</b>	<b>£208,600</b>

**Important Assumptions**

The following table summarises key financial assumptions, including payment for services in cash or

credit card. We assume fast-growth and large demands in this new specialised product range.

The financial plan depends on important assumptions, most of which are shown in Table 7.1. The key underlying assumptions are:

1. We assume a slow-growth economy, recovering from a major recession.
2. We assume that there are no unforeseen changes in technology to make products immediately obsolete.

CONCLUSION

Break-even Analysis

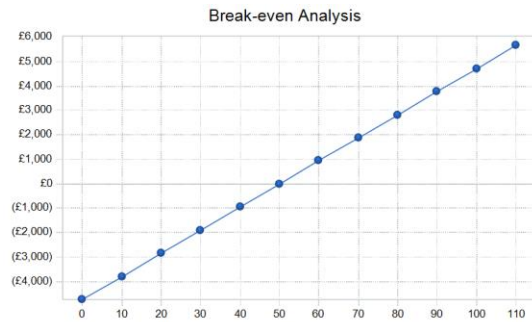
ABC LTD would need to sell 50 units per month to break even to generate a break even sales value of £7,705.

Expenses of £4,736 are incurred on a monthly basis based on a break even unit cost of £59.21, with break even unit sales being £153.65.

Table: Break-even Analysis

Break-even Analysis	
Monthly Units Break-even	50
Monthly Revenue Break-even	£7,705
Assumptions:	
Average Per-Unit Revenue	£153.65
Average Per-Unit Variable Cost	£59.21
Estimated Monthly Fixed Cost	£4,736

Chart: Break-even Analysis



Projected Profit and Loss

Sales - Sales are expected to be around £244k in year 1 and increasing steadily to £375k in year 5.

Operating Expenses - Operational expenditure estimated to be £56k in year 1 and increasing to £123k by year 5, this would be mainly driven by Sales & Marketing and Promotion expenses.

Profit - Profit is estimated to be £59k in year 1 and increasing to £67k by year 5. This represents a profit margin of 24.5% in year 1 and 17.99% in year 5.

Table: Profit and Loss

Pro Forma Profit and Loss	Year				
	1	2	3	4	5
Sales	£244,152	£262,400	£281,950	£319,750	£375,900
Direct Cost of Sales	£94,083	£101,068	£108,693	£123,525	£145,363
Production Payroll	£6,600	£7,260	£7,900	£8,620	£9,430
Other Costs of Sales	£358	£380	£410	£430	£460
Total Cost of Sales	£101,042	£108,708	£117,003	£132,575	£155,253
Gross Margin	£143,110	£153,693	£164,948	£187,175	£220,648
Gross Margin %	58.62%	58.57%	58.50%	58.54%	58.70%
Operating Expenses					
Sales and Marketing Expenses	£6,600	£7,400	£8,200	£9,000	£9,800
Payroll	£3,600	£7,200	£7,200	£10,000	£10,000
Advertising/Promotion	£12,120	£14,000	£18,000	£30,000	£48,775
Sales Partners	£1,380	£2,000	£2,000	£5,000	£5,000
Other Sales and Marketing Expenses	£23,700	£30,600	£35,400	£54,000	£73,575
Total Sales and Marketing Expenses	9.71%	11.66%	12.56%	16.89%	19.57%
Sales and Marketing %					
General and Administrative Expenses	£6,000	£6,700	£7,400	£8,100	£8,800
General and Administrative Payroll	£4,988	£5,500	£7,000	£8,500	£10,000
Marketing/Promotion	£1,200	£1,320	£1,450	£1,600	£1,760
Depreciation	£2,400	£2,520	£2,650	£2,780	£3,100
Rent	£1,200	£1,300	£1,430	£1,570	£1,730
Rates	£480	£500	£520	£535	£550
Insurance	£2,640	£2,936	£3,230	£3,532	£3,843
Payroll Taxes (National Insurance, etc.)					



Other General and Administrative Expenses	£1,620	£1,780	£1,960	£2,160	£2,380
Total General and Administrative Expenses	£20,528	£22,556	£25,640	£28,777	£32,163
General and Administrative %	8.41%	8.60%	9.09%	9.00%	8.56%
Other Expenses:					
Other Payroll	£7,200	£8,000	£8,800	£9,600	£10,400
Consultants	£5,400	£5,400	£6,000	£6,500	£7,000
Other Expenses	£0	£0	£0	£0	£0
Total Other Expenses	£12,600	£13,400	£14,800	£16,100	£17,400
Other %	5.16%	5.11%	5.25%	5.04%	4.63%
Total Operating Expenses	£56,828	£66,556	£75,840	£98,877	£123,138
Profit Before Interest and Taxes	£86,282	£87,137	£89,108	£88,298	£97,510
EBITDA	£87,482	£88,457	£90,558	£89,898	£99,270
Interest Expense	£595	£3	(£615)	(£1,233)	(£1,851)
Taxes Incurred	£25,706	£26,140	£26,917	£26,859	£29,808
Net Profit	£59,981	£60,993	£62,806	£62,672	£69,552
Net Profit/Sales	24.57%	23.24%	22.28%	19.60%	18.50%

Chart: Gross Margin Monthly

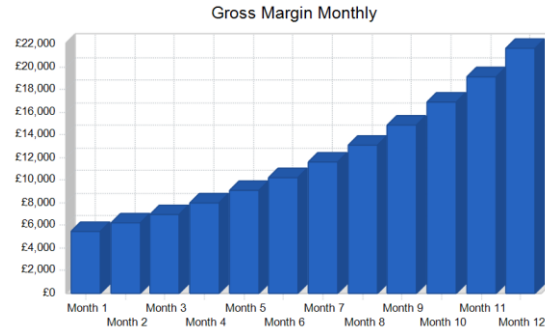


Chart: Gross Margin Yearly

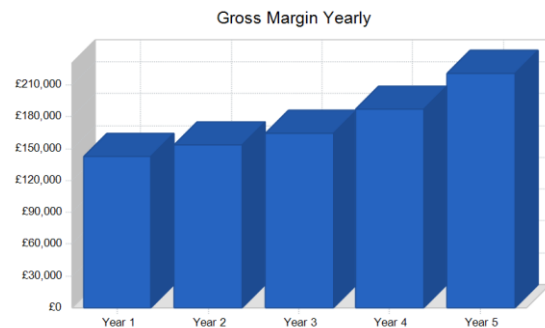


Chart: Profit Monthly



Chart: Profit Yearly



Projected Cash Flow

The Cash Balance in the first 12 months is estimated to range between £20k in month 1 to £30k by month 6. Month 12 cashflow is estimated to be £60k; bolstered by increased sales as the sales and marketing efforts begin to provide extensive dividends. The net cashflow in between the months ranges between £10k to £12k. Credit cards, long term loans or secured loans against assets are other sources of injecting cashflow in the negative months.

Stocks or investments which generate a monthly income are another source of cashflow injection into the ABC LTD business; a portion of residual capital would be utilised on a monthly basis to generate investment income.

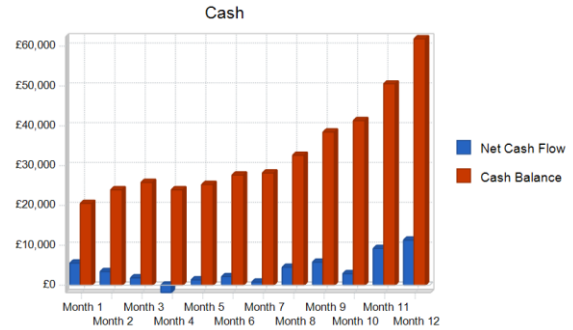
Table: Cash Flow

Pro Forma Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Received					

Cash from Operations					
Cash Sales	£244,15	£262,40	£281,95	£319,75	£375,90
	2	0	0	0	0
Subtotal	£244,15	£262,40	£281,95	£319,75	£375,90
Cash from Operations	2	0	0	0	0
Additional Cash Received					
VAT Received (Output Tax)	£42,727	£45,920	£49,341	£55,956	£65,783
VAT Repayments	£0	£0	£0	£0	£0
New Current Borrowing	£0	£0	£0	£0	£0
New Other Liabilities (interest-free)	£0	£0	£0	£0	£0
New Fixed Liabilities	£0	£0	£0	£0	£0
Sales of Other Current Assets	£0	£0	£0	£0	£0
Sales of Fixed Assets	£0	£0	£0	£0	£0
New Investment	£0	£0	£0	£0	£0
Subtotal	£286,87	£308,32	£331,29	£375,70	£441,68
Cash Received	9	0	1	6	3
Expenditures	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditures from Operations					
Cash Spending	£26,400	£29,360	£32,300	£35,320	£38,430
Bill Payments	£153,41	£179,33	£186,83	£222,45	£269,92
	2	2	7	4	9
Subtotal	£179,81	£208,69	£219,13	£257,77	£308,35
Spent on Operations	2	2	7	4	9
Additional Cash Spent					
VAT Paid Out (Input Tax)	£25,245	£25,129	£27,653	£35,040	£42,119
VAT Payments	£10,230	£28,043	£21,689	£20,917	£23,663
Principal Repayment of Current Borrowing	£2,856	£2,856	£2,856	£2,856	£2,856
Other Liabilities	£0	£0	£0	£0	£0
Principal Repayment					
Fixed Liabilities	£6,180	£6,180	£6,180	£6,180	£6,180
Principal Repayment					
Purchase Other Current Assets	£3,950	£0	£0	£5,000	£0

Purchase Fixed Assets	£0	£0	£0	£0	£0
Dividends	£12,000	£14,000	£16,000	£18,000	£19,000
Subtotal	£240,27	£284,89	£293,51	£345,76	£402,17
Cash Spent	2	9	4	6	8
Net Cash Flow	£46,606	£23,421	£37,777	£29,940	£39,505
Cash Balance	£61,606	£85,027	£122,804	£152,744	£192,249

Chart: Cash



Projected Balance Sheet

The net worth of the business is positive due to the high current and fixed assets relative to the low current and fixed liabilities.

The paid in capital is also high at £180k mainly constituted of investments and bonds that can be liquidated for cashflow injection.

Most of the capital is made up of Equity Capital with a low proportion of Debt Capital, this provides cashflow benefits as the cash outflows are significantly reduced.

Table: Balance Sheet

Pro Forma Balance Sheet	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Current Assets					
Cash	£61,606	£85,027	£122,804	£152,744	£192,249
Stock	£27,847	£29,914	£32,170	£36,483	£42,890
Other Current Assets	£3,950	£3,950	£3,950	£8,950	£8,950

Total Current Assets	£93,403	£118,891	£158,924	£198,178	£244,089
Fixed Assets					
Fixed Assets	£150,000	£150,000	£150,000	£150,000	£150,000
Accumulated Depreciation	£1,200	£2,520	£3,970	£5,570	£7,330
Total Fixed Assets	£148,800	£147,480	£146,030	£144,430	£142,670
Total Assets	£242,203	£266,371	£304,954	£342,608	£386,759
Liabilities and Capital	Year 1	Year 2	Year 3	Year 4	Year 5
Current Liabilities					
Accounts Payable	£16,006	£9,468	£10,282	£12,300	£14,935
Current Borrowing	£2,144	(£712)	(£3,568)	(£6,424)	(£9,280)
Other Current Liabilities	£21,552	£14,300	£14,300	£14,300	£14,300
Subtotal Current Liabilities	£39,702	£23,056	£21,014	£20,176	£19,955
Fixed Liabilities	£3,120	(£3,060)	(£9,240)	(£15,420)	(£21,600)
Total Liabilities	£42,822	£19,996	£11,774	£4,756	(£1,645)
Paid-in Capital	£180,000	£180,000	£180,000	£180,000	£180,000
Retained Earnings	(£40,600)	£5,381	£50,374	£95,180	£138,852
Earnings	£59,981	£60,993	£62,806	£62,672	£69,552
Total Capital	£199,381	£246,374	£293,180	£337,852	£388,404
Total Liabilities and Capital	£242,203	£266,371	£304,954	£342,608	£386,759
<b>Net Worth</b>	<b>£199,381</b>	<b>£246,374</b>	<b>£293,180</b>	<b>£337,852</b>	<b>£388,404</b>

**Business Ratios**

The company's projected business ratios are provided in the table below. The final column, Industry Profile,

shows significant ratios for the Fur and Leather Goods industry, as determined by the relevant Standard Industry Classification (SIC) Index code.

**Table: Ratios**

Ratio Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Industry Profile
Sales Growth	0.00%	7.47%	7.45%	13.41%	17.56%	6.78%
Percent of Total Assets						
Stock	11.50%	11.23%	10.55%	10.65%	11.09%	34.89%
Other Current Assets	1.63%	1.48%	1.30%	2.61%	2.31%	23.56%
Total Current Assets	38.56%	44.63%	52.11%	57.84%	63.11%	85.83%
Fixed Assets	61.44%	55.37%	47.89%	42.16%	36.89%	14.17%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Current Liabilities	16.39%	8.66%	6.89%	5.89%	5.16%	24.62%
Fixed Liabilities	1.29%	-	-	-	-	18.10%
Total Liabilities	17.68%	7.51%	3.86%	1.39%	-	42.72%
Net Worth	82.32%	92.49%	96.14%	98.61%	100.43%	57.28%
Percent of Sales						
Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Gross Margin	58.62%	58.57%	58.50%	58.54%	58.70%	27.35%
Selling, General & Administrative Expenses	34.05%	35.33%	36.23%	38.94%	40.20%	14.43%
Advertising Expenses	1.47%	2.74%	2.55%	3.13%	2.66%	1.00%
Profit Before Interest and Taxes	35.34%	33.21%	31.60%	27.61%	25.94%	5.52%
Main Ratios						
Current	2.35	5.16	7.56	9.82	12.23	3.27
Quick	1.65	3.86	6.03	8.01	10.08	1.50
Total	17.68	7.51%	3.86%	1.39%	-	43.33
Debt to	%				0.43%	%

Total Assets						
Pre-tax Return on Net Worth	42.98 %	35.37 %	30.60 %	26.50 %	25.58 %	15.30 %
Pre-tax Return on Assets	35.38 %	32.71 %	29.42 %	26.13 %	25.69 %	8.67 %
Addition al Ratios	Year 1	Year 2	Year 3	Year 4	Year 5	
Net Profit Margin	24.57 %	23.24 %	22.28 %	19.60 %	18.50 %	n.a
Return on Equity	30.08 %	24.76 %	21.42 %	18.55 %	17.91 %	n.a
Activity Ratios						
Stock Turnover	5.86	3.50	3.50	3.60	3.66	n.a
Accounts Payable Turnover	10.58	18.25	18.25	18.25	18.25	n.a
Payment Days	18	27	19	18	18	n.a
Total Asset Turnover	1.01	0.99	0.92	0.93	0.97	n.a
Debt Ratios						
Debt to Net Worth	0.21	0.08	0.04	0.01	-0.00	n.a
Current Liab. to Liab.	0.93	1.15	1.78	4.24	0.00	n.a
Liquidity Ratios						
Net Working Capital	£53,701	£95,834	£137,910	£178,002	£224,134	n.a
Interest Coverage	144.95	29.045.50	0.00	0.00	0.00	n.a
Addition al Ratios						
Assets to Sales	0.99	1.02	1.08	1.07	1.03	n.a
Current Debt/Total Assets	16%	9%	7%	6%	5%	n.a
Acid Test	1.65	3.86	6.03	8.01	10.08	n.a
Sales/Net Worth	1.22	1.07	0.96	0.95	0.97	n.a
Dividend Payout	0.20	0.23	0.25	0.29	0.27	n.a

### Long-term Plan

The growth of the ABC LTD business anticipates an annual growth rate of 10%-15% on sales values.

ABC LTD anticipates an increasing profit margin with a 25% growth rate for years 2-5.

Net worth is estimated to reach £383k by year 5 with net profit at £500k by the same year.

A significant factor for ensuring the positive financial performance of ABC LTD is the availability of assets and investments to bolster the negative months in the first year.

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