

WAITERBASE



BUSINESS PLAN

INB6A1: PLANNING A NEW VENTURE, REGENT'S UNIVERSITY

MODULE LEADER: SIMON O'LEARY

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EXECUTIVE SUMMARY

This business plan contains a detailed description of the WaiterBase start-up project. WaiterBase is a mobile platform that brings people together in search of work or employees. The WaiterBase team is in the process of developing an application that collects information about venues and waiters. With the help of the collected data, waiters can be assigned to venues vice versa. Everybody can create a profile as a Waiter. Every venue can create an account as a WaiterBase Workplace. It doesn't matter if independent or part of a franchise. With the help of WaiterBase, people can find a job at the last minute or plan their working life in advance. Thus, the chance exists to find short- or long-term jobs.

The WaiterBase founders are new to the sector of combining hospitality and digital media usage. Still, they are convinced that WaiterBase has huge potential to achieve the desired outcome of a leader in the job-matching Industry. Our idea will start in London because this is our home and we are faced with a huge market of potential workers and jobs. We first want to stay as close as possible to our customers to be able to change our concept on the spot, to improve directly in our first steps. The concept of WaiterBase aims at the well-known problem of short-term job search. Of course, there are websites that can help you. However, there are tons of different types of jobs packed together, which place completely different demands on the worker. WaiterBase concludes orders with similar requirements and thus concentrates exclusively on the gastronomy and event sector. We have chosen to focus on these sectors, because they are always developing and are considered as one of the most efficient sectors to find a job in. This gives us a great advantage over our "indirect" competitors. We call them indirect because our concept is unique in terms of our industry specification and the possibility of mobile use. Because of these advantages, we expect to be able to reach 40% of the waiters market and 30% of the catering service market in London. Overall, this business plan sets out whether it is possible to successfully launch WaiterBase on the market and assess the chances of selling the concept to a potential business partner. The paper contains a detailed analysis of our market and how our application will work in it. We will show how WaiterBase can make a successful start as a start-up with a relatively low monetary base. Before we get started, it is important to mention that we will always refer to



“venues” throughout the Business Plan, including restaurants, cafés, event catering activities, clubs and public houses.



INTRODUCTION

MISSION STATEMENT

WaiterBase's mission is to provide both employers and employees in gastronomy with a simple and efficient way to network for short or long-term employment. The mobile platform makes communication possible from anywhere, at any time and gives both sides of the contract the opportunity to present themselves as in a normal job interview. WaiterBase values respectful working conditions and overall behavior and will always give its customers the opportunity to rate their last experience, directly visible to every other customer. Waiterbase aims to reach the 30% of the venues and the 40% of waiters in London.

COMPANY DESCRIPTION

WaiterBase is a start-up based in London City with a passion for innovating labor-connecting services. Initially, it started with an idea of five young entrepreneurs full of ideas to revolutionize the labour market. Still being in university, all our key personnel was searching for short-term jobs in the gastronomy sector and concluded that there is a market niche of mobile application services to efficiently connect waiters to companies in the gastronomy sector. This is how the WaiterBase idea started.

LEGAL FORM AND STRUCTURE

WaiterBase is based on the Limited Liability business model. The start-up is headquartered in London and the current board of directors consists of five managers including Luca Steckenborn, Gustav Kern Schandorff, Houda El Amri Benfillous, Elisabetta Gallina and Maya Kapur. Each the founders mentioned have a share of 20% in the company. WaiterBase starts with £10.000 of share capital and it is looking for £70.000 as a loan.



THE CORPORATE MANAGEMENT TEAM

LUCA STECKENBORN



Co-founder/ Chief Executive Officer

Luca has established his roots in the digital start-up sector this year and previously studied leadership as an undergraduate at Regent's University London. He was an essential part of the development of the WaiterBase concept as he has an instinct for the right people in management and seems to have discovered them for WaiterBase. He currently holds the position of CEO.

GUSTAV KERN SCHANDORFF



Co-founder/ Chief Operation Manager

Gustav has established himself as a valuable part of WaiterBase by bringing in the necessary knowledge about how a mostly digitally established company is brought into existence. Initially from Denmark and now studying Operation Management in London he has gained the exact knowledge needed in order to implement a unique idea such as WaiterBase.



ELISABETTA GALLINA**Co-founder/ Head of Software Development**

Elisabetta is an Italian-born London graduate who studied modern IT at one of London's best schools. She led the development and creation of the application that we now know as WaiterBase. With her eidetic memory, she is more than professional with numbers, which makes her a valuable member of the WaiterBase team.

HOUDA EL AMRI BENFILLOUS**Co-founder/ Chief Financial Officer**

Being a former graduate of the Harvard Business College in finance, she brought in the essential calculations in order to decide if our business would work. Houda was instrumental in the development of WaiterBase and still is today as she leads the finance team that calculates our service prices and costs.



MAYA KAPUR



Co-founder/ Marketing Manager & Customer Service

Maya holds a degree in Marketing from Regent's University London and has great value in the WaiterBase team as she has recognised and developed the most effective ways of raising awareness for our start-up. Now she has control of the marketing team and the customer service team, which is an integral part of our business concept.



MARKET AND INDUSTRY ANALYSIS

LOCATION ANALYSIS

London appears to be one of the biggest and most active cities in the entire world (Martin & Brandt, 2019). For this reason, it has one of the largest shares of establishments in the catering service market that attracts workers from all the planet, including a significant number of young people looking for part-time jobs (ONS, 2019). The consequence of this trend is reflected in the high staff turnover, indeed employers are forced to continually recruit new employees. Moreover, in the past two years in London the food and beverage service market had lost *momentum* due to the rise of commodity cost and the increase of competition between businesses. In order to protect profits, the city environment is calling for an optimization process.

WaiterBase would perform effectively in London answering the need for cost-cutting. The city indeed has sufficient size and activity to support the platform development (Evans, 2016).

| Nation or Region | Percentage of employment, 2009 | | | Percentage of employment, 2017 | | |
|--------------------------|--|--|-----------------------------------|--|--|-----------------------------------|
| | 56.1: Restaurants and mobile food service activities | 56.2: Event catering and other food service activities | 56.3: Beverage serving activities | 56.1: Restaurants and mobile food service activities | 56.2: Event catering and other food service activities | 56.3: Beverage serving activities |
| North East | 2.7 | 0.9 | 1.9 | 3.4 | 0.8 | 3.1 |
| North West | 2.6 | 0.8 | 2.1 | 2.8 | 0.7 | 1.7 |
| Yorkshire and The Humber | 2.4 | 0.5 | 2.5 | 3.1 | 0.7 | 2.2 |
| East Midlands | 2.2 | 0.5 | 2.3 | 2.9 | 0.8 | 1.9 |
| West Midlands | 2.2 | 0.7 | 2.4 | 2.9 | 0.9 | 2.1 |
| East | 2.5 | 0.7 | 1.6 | 2.9 | 0.7 | 1.8 |
| London | 3.2 | 1.1 | 1.5 | 3.9 | 1.3 | 0.9 |
| South East | 2.2 | 1.0 | 2.0 | 3.0 | 1.1 | 1.7 |
| South West | 2.8 | 0.7 | 2.6 | 3.8 | 0.9 | 2.5 |
| Wales | 2.4 | 0.5 | 2.2 | 2.9 | 0.5 | 2.2 |
| Scotland | 2.7 | 0.8 | 1.7 | 3.1 | 1.0 | 1.4 |
| Column Total | 2.6 | 0.8 | 2.0 | 3.2 | 0.9 | 1.8 |

Source: Business Register and Employment Survey via NOMIS.

FIGURE 1, REGIONAL DISTRIBUTION OF THE FOOD AND BEVERAGE SECTOR, 2009 AND 2017. SOURCE: DIRECTOR OF LABOUR MARKET ENFORCEMENT (DLME), 2019



THE CATERING SERVICE MARKET

The food and beverage market scenario presents a high percentage of franchises activities which works alongside a relatively small part of independent restaurants. In the whole sector an increase in the “dining experience quality”



FIGURE 2, NET OPENINGS OF INDEPENDENT LONDON RESTAURANTS. SOURCE: FINANCIAL TIMES

had been registered, where healthy and sustainable food starts becoming the new favorite base for segmentation (Director of Labour Market Enforcement (DLME) , 2019).

From 2017 to the first trimester of 2019, London suffered one the worst strain in openings and closures but even so, according to Harden’s London Restaurants Guide (2018), openings still outnumbered closures. The reason of the strain is presumed to lie in overcapacity and rising costs, where these specifically consists in property costs, food costs and labor costs (Sullivan, 2018). It appears that after the 2008 crisis, restaurateurs have been reluctant to increase prices so instead, they have transferred the margin reduction to employees asking them to overwork for lower pay (Director of Labour Market Enforcement (DLME) , 2019). According to ONS.GOV (2019), this has resulted in a general staff shortage in the UK but not in London. The city proved to be in a particular situation because of the number of young people arriving in the city every year to learn the language or to finance their studies and which composes a significant part of the waiting staff (Ransom, 2018). However, difficulties in the matching system are shared also by the UK capital and they are a hurdle for businesses (Sullivan, 2018).

TYPES OF BUSINESSES

The food and beverage sector present different types of businesses, each one with its own peculiarities in the administration, hiring methods, workforce, and customer journey. The main categories are restaurants, cafes, take-away food shops, mobile food stands, event catering activities, clubs and public houses (ONS.GOV, 2019). These businesses are differentiated for being in franchise or independent, but they can be distinguished also for being self-

| 2018 | Count | Employment | Turnover (£'000s) |
|----------------------------------|---------------|----------------|-------------------|
| Licensed restaurants | 6.510 | 187.250 | 8.552.138 |
| Unlicensed restaurants and cafes | 4.605 | 94.243 | 3.986.851 |
| Event catering activities | 1.715 | 18.049 | 1.190.172 |
| Licensed clubs | 535 | 9.701 | 638.938 |
| Public houses and bars | 2.185 | 47.887 | 2.876.337 |
| Total | 15.550 | 357.130 | 17.244.436 |

FIGURE 3, AN ADAPTATION FROM ONS.GOV RESTAURANT REPORT, 2019

service, semi self-service or full service. Depending on the structure, the workforce skills required change significantly and so do the recruitment practices.

Franchise businesses usually are self-service or semi self-service and for this reason the hiring method is simple and very open to unexperienced young people. The prospective employees usually do not need any type of certification but just the willingness to learn quickly. Independent restaurants on the other side, usually value more experience and certifications, for this reason their waiters are generally older and full-time. The hiring method in this type of business is usually based on certifications, formal references and word of mouth. Depending on the service offered by the business, the hiring process can present numerous barriers that slow the operation and makes the staff turnover a major issue (DiPietro & Milman, 2004). It has been noticed that generally, employee turnover is low for small businesses with 0-4 employees, but it increases significantly for big businesses with more than 10 employees (Harden, 2018).



TYPES OF WORKFORCE

According to the latest government report about restaurants in London, the number of employees working in the catering service sector in the city is 357,130 (ONS.GOV, 2019) divided between experienced and beginners. Focusing on London’s waiter labor market and according to a Payscale survey, the unskilled entry workforce is 66.7% of the whole sector where the late-career and experienced slice of the market appears to be significantly smaller. Despite this, in the previous year the experienced workforce increased by 13% while the entry-level one decreased by 5%. Thus, a new trend seems to be growing and highly skilled workers might become more valued in the future (Payscale, 2019).



FIGURE 5, YEARS OF EXPERIENCE IN THE WAITERS MARKET. SOURCE: PAYSCALE

The same survey reports also the relationship between wages and years of experience. It has been registered that the hourly pay average for a waiter in London is around £7.28, where for the entry-level is £7.10 and for the late-career is £8.50. Between these categories, the most significant difference lies in the dispersion that for entry-level employees can exceed £3.5 per hour reaching the lowest wage of £5.85 per hour (Payscale, 2019). This suggests that some businesses pay less than the minimum wage (UK Government, 2019).



FIGURE 4, THE AVERAGE HOURLY PAY FOR A WAITER/WAITRESS IN LONDON. SOURCE: PAYSCALE



Prospective employees usually research new workplaces through agencies, web announcements or word of mouth. The Director of Labour Market Enforcement this year reported that the foodservice sector presents a relatively low percentage of agency workers that just equal to two-thirds the average for all industries (Director of Labour Market Enforcement (DLME) , 2019). Most of these employees are working in the event catering business and they are non-UK born. This suggests that UK-born workers are less likely to join agencies to find a job and the reason why could lie in some agencies' bad behavior in promoting workers exploitation (Director of Labour Market Enforcement (DLME) , 2019).

| Gender and country of birth | Agency workers as a percentage of all workers | | | | |
|-----------------------------|---|---|---|----------------------------------|----------------|
| | 56 Restaurants and food services | 56.1 Restaurants and mobile food service activities | 56.2 Event catering and other food service activities | 56.3 Beverage serving activities | All industries |
| Male | 1.6 | 1.3 | 3.2 | 1.7 | 1.8 |
| Female | 0.9 | 0.6 | 0.6 | 0.5 | 1.6 |
| All workers | 1.2 | 0.9 | 2.4 | 1.1 | 1.7 |
| UK-born | 0.7 | 0.5 | 1.8 | 0.3 | 1.2 |
| Non-UK born | 2.3 | 1.5 | 4.6 | 8.7 | 2.3 |
| EU15 | 5.8 | 2.8 | 4.0 | 27.1 | 6.5 |
| EU8 | 2.8 | 1.9 | 5.9 | 7.1 | 9.5 |
| EU2 | 2.9 | 0.0 | 23.3 | 0.0 | 0.3 |

FIGURE 6, AGENCY WORKERS AS A PERCENTAGE OF ALL WORKERS. SOURCE: DIRECTOR OF LABOUR MARKET ENFORCEMENT (DLME), 2019

SECTOR FORECAST

Due to the uncertain development of Brexit, UK businesses have difficulties in foreseeing next year's trends (RG Group, 2019) . Even so, a general change in the working pattern is expected as a consequence of the significant profit losses in the sector. Specifically, new technologies are going to be adopted to “streamline the operations... and maximize the opportunities” (RG Group, 2019). It is possible that restaurant chains will try to automate most of their daily operation substituting employees with machines, but the independent restaurant sector will unlikely be affected by this trend. Instead, it will probably focus more on making the hiring procedure easier and quicker (Deloitte, 2017). Consequently, this shift will probably affect the waiter market making experienced and high skilled employees more requested (Payscale, 2019).



FIGURE 7, THE "RESTAURANT OF THE FUTURE". SOURCE: DELOITTE, 2017



WORKER-EMPLOYER RELATIONSHIP

The formal relationship between workers and employees is usually based on contracts. In order to meet the sector's flexibility, many times pre-set hours contract are substitute with zero hours ones, where workers are called by demand and not by a fixed schedule. This type of contract is very convenient for employers who usually propose it to young workers who look for transitory part-time works. The consequence of this practice is that many employees feel "less secure and more vulnerable to low pay" (Director of Labour Market Enforcement (DLME), 2019).

The foodservice industry is generally characterized by long working hours and flexible work patterns that cause a relatively high workforce churn with temporary and transient employment (Felstead, et al., 2018). Since businesses do not require specific qualification certificates, the hiring process in the catering service sector is usually informal and based on the word of mouth. For these reasons, the sector has just a few barriers and it is easy to enter (Director of Labour Market Enforcement (DLME), 2019).

ISSUES IN THE WORKER-EMPLOYER RELATIONSHIP

The catering service market presents three main issues regarding the worker-employer relationship. The first one is related to the relationship formalization where lots of employees are unsure whether they will receive a contract or not. This issue mostly regards unexperienced employees who are part of the waiting, bar or kitchen staff. When this happens for short temporary relationships the personal impact is subdued but problems are raised for long term relationship where the capacity of making life plans is affected. The lack of contracts can also lead to ethical complications where employers can threat hour reduction or redundancy (Director of Labour Market Enforcement (DLME), 2019). Even so, some employees accept positively this behave because of their flexibility in resigning whenever they do not like the work environment.

This problematic leads to the failure of the National Minimum Wage (NMW) and this can happen because of intentional practice, accidental breach, salaried workers outnumbering

The three main issues in the worker-employer relationship:

- Lack of contracts
- Pays
- Bad behaviors



the contract hours, and employers providing incorrect information that workers were not entitled to NMW/NLW (Director of Labour Market Enforcement (DLME) , 2019).

The second main issue regards the pay system. Specifically, many times employees are not paid in time or are not paid for the real number of hours spent working. This affects not just the zero-hours-contract employees but also the long-term ones. This is usually covered with the excuse of technical difficulties in monitoring (Director of Labour Market Enforcement (DLME) , 2019).

The third main issue regards bad behaviors that include both verbal and physical harassment practices. Unfortunately, this type of episodes is common in the sector and are highly responsible for employees' high-stress level (Director of Labour Market Enforcement (DLME) , 2019). In the past years, the cost pressure has worsened the employees' situation. Indeed, restaurants recruited a higher proportion of migrants' workers and young people because of their limited knowledge in terms of workplace practices and employee rights. Moreover, their capacity to defend themselves was restricted because of language barriers where English was not the first language.



MARKETING PLAN

The WaiterBase marketing plan is essential for establishing our roots in the industry.

For example, in the area of advertising, we want to use the Internet and especially social media platforms as our most important means of communication. This will enable us to reach the highest number of potential customers from the ground up. We could flood users with advertising as much as possible, but that's not what we want. The development of detailed, company-suitable marketing is essential, as a new-born start-up as WaiterBase cannot expect a huge number of followers and clients just by following simple marketing rules. Therefore, we will create a deeper meaning that people will associate with our brand. Targeted, yet far-reaching advertising is our goal.



TARGET GROUP

First, WaiterBase defined its target group using demographic and behavioral segmentation measurements:

Demographic profile of potential WaiterBase Users

| | |
|-------------------|--|
| Age | 18 - x |
| Gender | Female, Male & Non-binary |
| Location | First, London, UK and if successful concluding other European cities |
| Occupation | Student, Employed or Unemployed |

Behaviouralist profile for WaiterBase Users

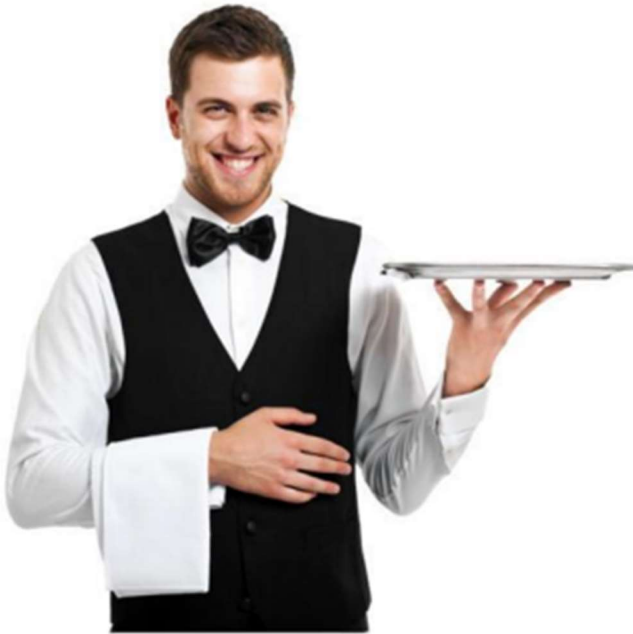
| | |
|-------------------------|--|
| Benefits Thought | Make job search more efficient, especially in short-term |
| Usage Rate | All range |
| Readiness to Buy | |
| Occasions | All times, where people need a quick and easy gettable job |

WaiterBase aims to attract customers who are looking for an easy and efficient way to find a job in the hospitality industry. Irrespective of age and origin, people are welcome - of course only with a valid British citizenship or residence permit as we do not support undeclared work. We address people in today's world who are confronted with a common problem: Time. Our clients don't want to spend much time finding a part-time job at short notice or planning months in advance to get a job. They want it to be as simple and efficient as possible, without the need for tedious hours of searching and the associated weighing of options.



CUSTOMER PROFILE

ARCHIE SMITH - THE STUDENT WAITER



- **BACKGROUND**

Our first buyer persona is called Archie Smith, he has a part-time job as a waiter in a restaurant in the center of London. He's combining his work as a waiter with his studies. On his free time, he enjoys hanging out with his friends, Archie also likes playing sports and videogames.

- **DEMOGRAPHICS**

Archie smith is a male that lives in the city of London and has an age between 18 to 25 years old. The annual income that he gets is between 9.000 to 18.000 pounds, this annual income can increase if his parents decide to give him money.

- **PSYCHOLOGICAL INFORMATION**

The life of a waiter and a student is very stressful when Archie smith is not working, he takes that "free time "to study, He tries to balance his work and studies with his social life. He's very outgoing and has a lot of energy, he cares a lot about friends and family. Archie is an ambitious person, who knows that everything comes with a sacrifice, that he needs to work hard for the brilliant future that he wants to have.

- **IDENTIFIERS**



Archie usually says "the struggle is real" as a way of expressing that he's going through a lot at that moment. 7

- **GOALS**

Archie's first goal is to find a job who is offering the same working hours that he wants, the exact number of hours, and being paid for them the day specified before starting to work in the place. The second goal is to balance successfully his work with his studies and social life.

- **CHALLENGES**

The challenges that this persona faces when trying to accomplish his goals are the fact that in this sector, long working hours are a common thing, employers sometimes demand the waiters to work for 37 hours per week or more, also a lot of restaurants do not pay the total number of hours worked by the persona, mostly because they don't count all the extra hours done, or if they do pay, they do not do it when promised. Another challenge is the "zero-hour" contract, where the persona only works when he's needed, on the demand, and does not have pre-set hours. With this contract, it could be really difficult for Archie to balance everything in his life since he doesn't know when he's going to work.

- **HOW WE HELP**

Our app will help Archie by showing him just the offers that are aligned with the number of hours that he wants to do and the specification of when he is going to work. We offer him a safe platform where all the companies are regulated and the payment for all the hours is assured. A platform where he can give his opinion about the workplace.

- **REAL QUOTES**

"Most of the times I end up working more or fewer hours because I can't find the job that is aligned with my needs"

- **COMMON OBJECTIONS**

Is this app offering what they say it offers? How secure is the job that sign into this app? Do I need to pay for this app? 8

- **MARKETING MESSAGING**



We will describe our product to this persona with the following message: “This app will help you find a job as a waiter following your availability, hours and location desired, in the easiest way as possible”

- **ELEVATOR PITCH**

We will describe our product to our employees with the following message “It’s an app that will connect waiters and restaurants or catering events who have the same needs”

ROSE HOLLAND - IN CHARGE OF RESTAURANTS/CATERING EVENTS



- **BACKGROUND**

Our first buyer persona is called Rose Holland, has a full-time job as a director in a firm that organizes catering events. She has children and husband, and she combines her work with motherhood.

- **DEMOGRAPHICS**

Female that lives in the city of London and has an age between 28 to 45 years old. Her annual income is from 30.000 to 42.000 pounds.

- **PSYCHOLOGICAL INFORMATION**

She’s very passionate and ambitious about her work. She tries to balance her work with her motherhood and love life. For that reason, every second of wasted time matters for her. 9

- **IDENTIFIERS**

Rose usually says “we’ll discuss it later” as a way of expressing that she’s on something more important in that moment and that she doesn’t have time for anything else.



- **GOALS**

Rose's goals are to find waiters available whenever she needs them, independently of the moment of the year. Find a flexible workforce ready to work whatever hours indicated in the offer.

- **CHALLENGES**

The challenges that this persona faces are the fact that a lot of the waiters in the restaurant sector are young and unstable, they leave because they find another job that suits their time and salary expectations better or because they decide to focus more on their studies. For that, Rose needs to be consistently looking for new waiters and the process is long and difficult. During busy times of the year, this process could be even more difficult.

- **HOW WE HELP**

Our app will help Rose by showing her the waiters that are available on the time she specifies, even if it's the last minute. It will also show her the reviews that other companies did on these waiters, their resume, what exactly are looking for in the job, and what kind of contract they are willing to take. Everything in the simplest and fastest way possible.

- **REAL QUOTES**

"I waste a lot of time trying to find people who are aligned with the company's need" 10

- **COMMON OBJECTIONS**

Is this app free? And if not, how much money will I need to pay for this? Is this app offering what they say it offers? Are all the waiters in that App reliable?

- **MARKETING MESSAGING**

"This app will help you find a waiter workforce who are aligned with the hours, day, place and qualification that you request, in the easiest way as possible"

- **ELEVATOR PITCH**

The elevator pitch is the same as the first buyer persona since it's going to be directed to the same employees.



BRANDING

The Branding of WaiterBase is the most important part of our marketing plan and builds the overall basement for App- & Marketing-Design. How we do the branding gives our customers the possibility to connect with our Brand.

THE LOGO

The WaiterBase logo will be the core everything is built around. Our logo is appealing and unique in its design. Furthermore, the design gives the foundation for every media content we create, as it resembles our content-design in general.

Our logo shows our signature colour of a rich orange, which people will associate with our brand. Additionally, we will create several signature-hashtags that give our users the opportunity to create own user-generated content. This type of content is most important, and we will go into it in more detail in the description of the WaiterBase promotion strategy.



FIGURE 8, THE LOGO



THE SIMPLE MARKETING MIX

PRODUCT STRATEGY

WaiterBase basically offers one core service: the matching of employees to employers and vice versa in the gastronomy sector with the help of an online matching system.

Because our customers value efficiency and trust, we offer an authentication model to test venues and staff for their trustworthiness and experience. In addition, a rating system is provided where WaiterBase users can share their experiences with others, making the application a social platform as well. In order to allow valid identification of staff, CVs must be uploaded before an account can be opened. The same applies to venues, which must also upload certain documents that prove their existence and legally proven existence.

PLACEMENT STRATEGY

WaiterBase will provide its service on both Android and Apple devices. So, the two biggest digital distribution platforms available are covered.

Furthermore, our application has a very short supply chain, as no physical goods must be sent back and forth. We are a service and therefore we connect our customers online and it is their objective to physically connect in the next step, when the event takes place. In this way, no distribution costs are incurred.

PRICE STRATEGY

Our foundation is a free-to-download application on smartphones. Every user must sign up by giving details about themselves as well as a document in order to get an authentication badge. The free app itself provides for waiters the basic service, including the limited availability to connect to venues, limited job researches per month and other features like the range of the "WaiterBase Venue Finder", which lets you search in a specific kilometer-range on the physical city map. However, we give the waiter the possibility, to pay £10 for a one-time upgrade that includes full access to WaiterBase's functions. With regards to the venues, the free version will allow the inclusion of just one location and limited views of the waiters' profiles. The upgrade will give the possibility of adding one new location in the



profile and will cost £100 as a one-time upgrade to access to every function of WaiterBase. More slots will be available at the price of £100 each.

PROMOTION STRATEGY

Social Media marketing is the core-strategy we will follow. Being present on all available platforms with the focus on Facebook, YouTube and Instagram. We will build profiles, that resemble our brand and establish a certain layout, that creates the unique appearance of a brand. Additionally, we will provide physical advertisements for the application on the London Underground as well as on Busses and huge posters in certain London areas.

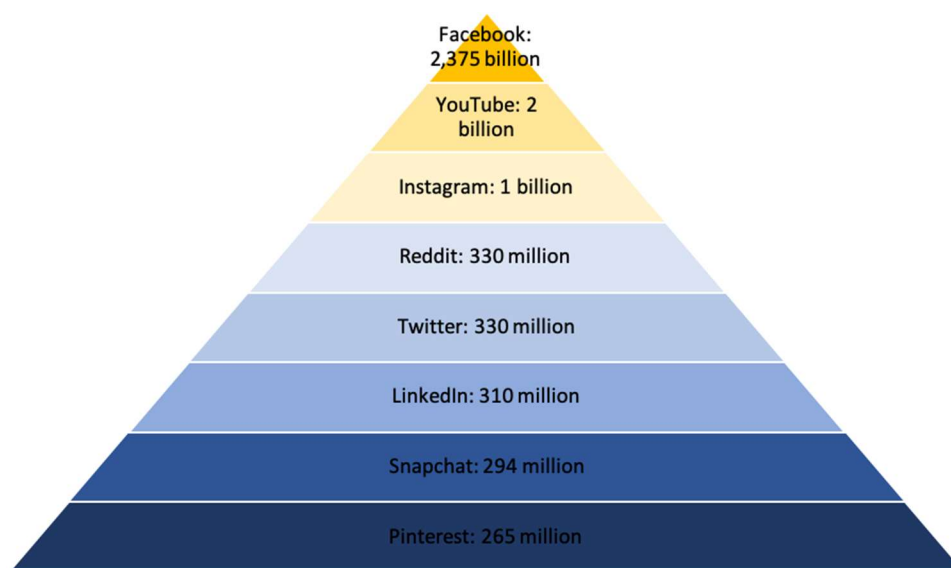


FIGURE 9, RANGE OF SOCIAL MEDIA PLATFORMS (2018)

Nowadays, every digital company is present on social media with a profile and additionally advertising. So, in order to shine through the masses, we picked several methods that will ensure the rise of awareness from the beginning.

“Great Social Media Marketing should engage, it shouldn’t be something people want to ignore (Chaffey, et al., 2017). If not done properly, the time and money spent on creating the content/ad are ineffective and destructive rather than effective. Especially for new brands/start-ups without a large financial foundation.

If done right, the content can lead to a viral effect called ‘social media amplification’ (Chaffey, et al., 2017). This means that as soon as our potential users start sharing positive comments about our service, others see their commitment and review the brand. This does not necessarily lead to an increase in turnover, but the essential basis of brand awareness is



created. So, the commitment of our customers is the keyword for Waiter Base's success on Social Media!

In the United Kingdom, which will initially be our main market, there are around 44 million users, representing 66% of the UK population (Statista, 2019). The number of users is even expected to rise to 46 million by 2022 (Statista, 2019). It is also estimated that the penetration rate of social media will rise from about 61% in 2019 to 62.5% in 2022 (Statista, 2019). These statistics suggest that with increasing interaction on social media, more and more companies will try to build their brand on social media.

| | Total number of users (in millions) | Share of population (%) |
|---|-------------------------------------|-------------------------|
| Active social media users | 44 | 66 |
| Active mobile social media users | 38 | 57 |

FIGURE 10, ACTIVE MOBILE SOCIAL MEDIA USERS 2018, UK; SOURCE: STATISTA, 2019

As WaiterBase focuses on advertising on the mobile social media platforms, the statistic of “active mobile social media users” shown above matters the most.

Therefore, WaiterBase focuses on the following slogan:

Little screens require even more attention-grabbing content!

That’s why our approach for unique and 100% company-suitable marketing is the perfect way, leading to our actual promotion strategies, which will be presented below:

- **ADVERTISING**

WaiterBase will mainly use planned social media marketing by uploading short videos or photos that are filtered and visible on the screens of our specific target audience. All our contributions are directly recognizable by the colour of the WaiterBase orange and the logo, which will always be included somewhere on the post. When talking about YouTube, little spots will be created of about 6 seconds, which then will be shown before people press on certain videos.



Next to Social Media, we want to use specific Underground and Bus stations in London, where WaiterBase Banners will be presented every few weeks.

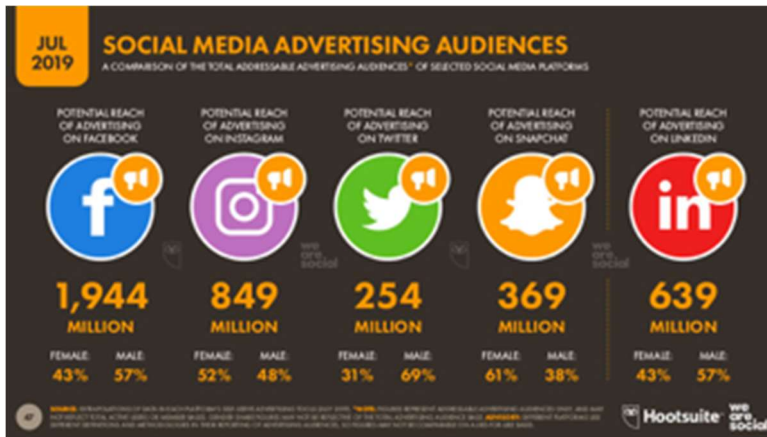


FIGURE 11, SOCIAL MEDIA ADVERTISING AUDIENCES, JULY 2019;SOURCE: HOOTSUITE.COM

Using the methods outlined above, we estimate the marketing costs for social media and physical marketing at £12,000 in 2020, £10,000 in 2021 and £10,000 in 2022.

- **ESTABLISHING A WAITERBASE BLOG OR ARTICLE**

Today's consumers want highly informative, fast- and easy-to-read content. With blogs and creative articles, customers can view various issues and get a clear picture of what the benefits of your service are all about (inc.com, 2016). So, WaiterBase will also make use of this method in order to give our clients as much information as possible for them to be able to build trust in the brand.

- **ORIENTATION ON COMPETITION**

Don't copy but observe on how to do better. For us, brands such as TaskRabbit and Uber are important. And they have already created content on social media. We analysed their social media profiles and see what their advertising looks like and have drawn conclusions for our profile. It's not for nothing that people say: "Keep your friends close and your enemies closer".



OPERATIONAL PLAN

LOCATION, CAPACITY AND EQUIPMENT

As a London based start-up with a multinational team, that relies on each other's help and expertise, but with a limited initial investment, it is important not to spend unnecessary money on a location like an office building. With limited cash, London offices will consume an initial investment within a few months, which is why WaiterBase has taken the opportunity provided to current or former students at Regent's University, to locate workspace in The Hive on campus at the university itself. This workspace provides rooms for meetings and discussions, without paying, and has the capacity to house the initial workforce without spending any of the initial investment (Regent' University London, 2019). Furthermore, this will provide at optimized delivery of the product, as not only offices but also computers for research and app development are provided, while other entrepreneurs can be questioned on their challenges in the start-up phase of their new venture.

After the first year, it is, however, no longer realistic to keep base in The Hive, because it is limited to students and start-ups, which is why WaiterBase must move to an office. The office is in Barking, London, and has a monthly cost of £229 meaning a yearly cost of £2,748 (gumtree.com, 2019). The reasoning behind this office is that the WaiterBase office costs must be kept on a minimum, in order to spend the initial investment on further enhancing the business through marketing, however with a growing number of employees, as will be mentioned in the following section, it is impossible not to have an office building. This office provides enough space for WaiterBase to hire employees and grow through the first couple of years, while still staying at a reasonable cost.



HUMAN RESOURCES

YEAR 1

The founders of the app are currently working without salary in order to get the app going. There are currently 5 founders, specialized in a unique topic within marketing, operations or sales, in order to create the platform WaiterBase is built on. However, there is an essential part of the creation of WaiterBase that must be paid for, the development and coding of the app.

Based on a discussion amongst developers, creating an app with the functions that WaiterBase will have, can take everything between 12 – 20 weeks to complete (Quora, 2019), and in order to not run over budget, it will be estimated to 12 weeks in this business plan. The average salary of a developer is £50,000 (CWJobs, 2019), meaning it is possible to estimate the price of development for WaiterBase:

$$(50,000/52)*12 = 11,538$$

This means in order to develop the app, the estimated price is £11,538 which must be added as a financial cost for year 1. During the first year it is expected that the founders handle marketing, customers, sales and finance. Like many other apps, all complaints can be sent by e-mail, and the founders can reply and help the first customers. The salary for the founders will be on £500 per month in order to cover basic needs

$$500*5*12 = 30,000$$

For the founders to pull out pay, £30,000 needs to be added as a financial cost for year 1.

YEAR 2

After year 1 WaiterBase is expected to grow in customers, meaning more employees must be hired. While the founders can handle their unique topics like marketing, operations and sales, the workload is too heavy if they also need to handle complaints and issues with the app. A UK customer support employee has an average wage of £21,068 per year (glassdoor.co.uk, 2019). Therefore, £21,068 will be added as a financial post from year 2. Furthermore, in order to keep the IT system running, the company will need an IT support employee with an average salary of £25,886 per year (glassdoor.co.uk, 2019). In order to



keep the finances in order, WaiterBase will hire a financial intern with an average salary of £17,900 per year (glassdoor.co.uk, 2019). Finally, the company will hire 2 marketing associates focusing on social media, and with an average salary of £28,229 per year (glassdoor.co.uk, 2019). The founders are expected to keep the same salary in year 2.

YEAR 3

Year 3 WaiterBase will hire an HR responsible with an average salary of £28,147 per year (glassdoor.co.uk, 2019). Furthermore, it is expected that 2 more customer service employees with an average salary of £21,068 are hired, and 2 more marketing coordinators with an average salary of £28,229 per year. The founders are expected to be able to up their salary each to £1,250 per month.

YEAR 4

Year 5 WaiterBase will again hire 1 more HR employee, 2 customer service employees and 2 marketing employees with a focus on social media.



SELLING

THE APP STORE PLATFORM

Our product is an app, meaning we are not using traditional retailers to sell our product. Instead, we must use one or several app stores to sell our product, as it is currently not possible to sell an app without using the currently available app stores.

THE HISTORY OF APPS AND APP STORES

Before presenting sales, it is relevant to know the platform, in our case the app stores, therefore, this section will provide the basic information on understanding the history of the available app stores that WaiterBase can be sold in.

Mobile apps first appeared in 2008 and were released to the public in various app stores together with the launch of the new generation smartphones (Siegler, M., 2008). The different app stores included the four biggest providers today; Google Play, Apple App Store, Windows Store, and Amazon Appstore. Together these four app stores currently provide more than 5.4 million apps with Google Play and Apple App Store holding almost 78.70% of the currently available apps (Clement, J., Statista, 2019). The number of annual app downloads has been predicted to almost hit 300 billion worldwide by 2023 almost tripling the annual number of downloads in 2014 as shown in the graph below:

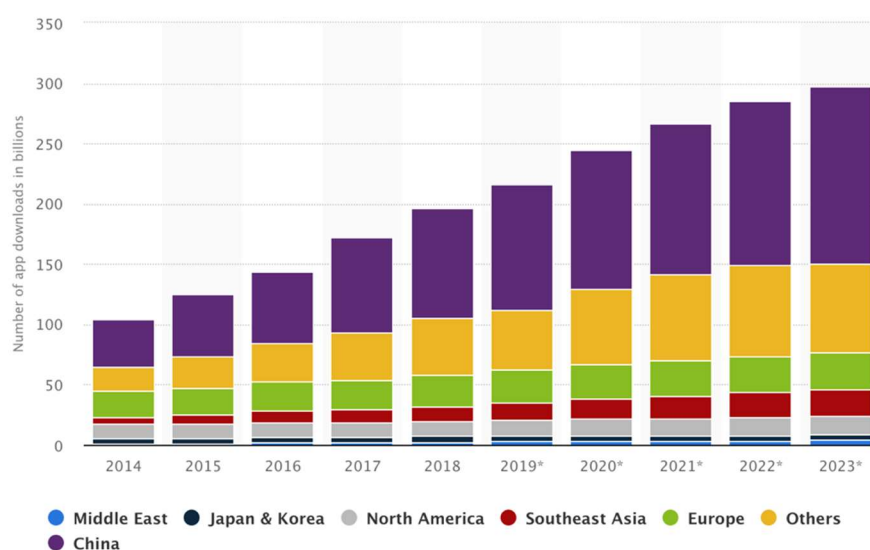


FIGURE 12, ANNUAL NUMBER OF DOWNLOADS. CLEMENT, J., STATISTA, 2019



The growth this market has experienced over only 10-11 years means there is a lot of potentials to make money if you know how to create an app that has a demand and develop a good business plan on how to make money from it.

DIFFERENT WAYS TO MAKE MONEY FROM APPS

Now that we know the platform, we sell WaiterBase from, we need to know where the revenue should come from. For this reason, it is important to know how to make money from apps.

There are currently 7 different ways to make money from apps that will be presented in this business plan: Paid apps, subscriptions, in-app advertising, sponsorships, and physical purchases, collecting and selling data, in-app purchasing, and the freemium model.

The different payment methods can be summed up in the table below:

| Payment Model | Explaining | Keywords |
|-------------------------------------|--|---|
| Paid apps | Upfront payment done through the app store | Pay-to-play |
| Subscriptions | Weekly/monthly/daily payment to use the app | Pay for time Paywall |
| In-app advertising | Advertising in the app paid by different companies | Banners, videos etc. Free download and use |
| Sponsorships and physical purchases | Physical products sold by the app or through sponsored content | Real-world link |
| Collecting and selling data | Harvesting data from users and selling it to a third party | Data payment “Free download and use”? |
| In-app purchasing | Buying things in the app for real money | In-app currency |
| Freemium model | Two sides of the app; a free and a paid one | Free download Pay to upgrade |

FIGURE 13, PAYMENT METHODS

WHAT IS RELEVANT FOR WAITERBASE

For a new app like WaiterBase that needs to grow fast, to attract customers, it would not make sense to create a paid app. WaiterBase only works if enough waiters and venues are signed up, so scaring off initial customers with payment walls, subscriptions or a regularly



paid app is likely to slow down or kill the growth of the start-up. It is also hard to imagine any sponsorships or physical purchases because these types of income are hard to rely on. Over time it could become a secondary revenue stream selling clothes for waiters without experience or find sponsors in chain restaurants, but it does not seem like a smart way to begin. Collecting and selling data would require a demand for the specific data gained from the users. If the restaurant industry was interested in the salary waiters to demand or how many waiters look for extra work it could be a possibility, it seems highly unlikely though.

That leaves three payment models: In-app advertisement, in-app purchasing and freemium. These three models all have the potential for WaiterBase because the initial free download and signup can attract many customers, and the users will not be forced to pay any amount of money hopefully making the app recommendable. The in-app advertisement would make the app completely free to use but would affect the looks and the design of the app because of the commercials. In-app purchasing could work to upgrade profiles, boost the number of viewers or prioritize messages to waiters or venues, but this could also be done with a freemium model. It could for example work as an upgrade, one for the venues, that could, for example, rank the applicants, and one for the waiters to match them better with venues.

Our choice is the freemium model. The freemium model provides a good basis for attracting new customers that get to know the app without having to sacrifice any money on it. Once the waiter or venues start to use the app frequently, they will be dependent on the app and demand more functions as explained in the operation section. Furthermore, the freemium model allows WaiterBase to demand a higher price, because the customer has gotten used to the product and might even depend on the product to make money themselves.



ESTIMATED SALES

As presented earlier in the “Types of business” section, there were 15,550 venues including licensed and unlicensed restaurants, cafés, event catering activities, licensed clubs, public houses, and clubs. Furthermore, it was found that the number of employees combined from these venues was 357,680. As every venue and every waiter will need a unique profile, this amounts to 373,230 potential customers in the UK market in 2018.

Using the numbers from the market, it is possible to do estimated sales for waiters and venues. Because we have different expectations on the conversion rate from download to paying customer, the following tables will show estimates sales for waiters and estimated sales for venues:

| Waiters | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|
| Year | 1 | 2 | 3 | 4 | 5 |
| Total Potential Costumers | 373230 | 354569 | 319112 | 255289 | 178703 |
| Expected downloads % | 5% | 10% | 20% | 30% | 40% |
| Expected downloads | 18662 | 35457 | 63822 | 76587 | 71481 |
| Accumulated downloads | 18662 | 54118 | 136602 | 285969 | 566832 |
| Expected paying customers rate | 10% | 10% | 10% | 10% | 10% |
| Expected paying customers | 1866 | 5412 | 13660 | 28597 | 56683 |

FIGURE 14, SALES FOR WAITERS



| Venues | | | | | |
|---------------------------------------|----------|----------|----------|----------|----------|
| Year | 1 | 2 | 3 | 4 | 5 |
| Total Potential Costumers | 15500 | 14725 | 13253 | 11265 | 9012 |
| Expected downloads % | 5% | 10% | 15% | 20% | 30% |
| Expected downloads | 775 | 1473 | 1988 | 2253 | 2704 |
| Accumulated downloads | 775 | 2248 | 5010 | 10286 | 21022 |
| Expected paying customers rate | 40% | 50% | 50% | 50% | 50% |
| Expected paying customers | 310 | 1124 | 2505 | 5143 | 10511 |

FIGURE 15, SALES FOR VENUES

The estimations above are based on the fixed number of potential customers from each section from 2018. The download % is, in contrast to the conversion rate, expected to be the same for venues and waiters. As it is not realistic that the number of waiters and venues is constant in a 5-year forecast, the numbers will probably be different, but the numbers can be used to some extent to forecast the sales and thereby the revenue in the finance section.



FINANCIAL DATA AND PLAN

CASH FLOW

Waiterbase founders agreed on investing £2,000 each on the start-up. In order to be ready to overcome any unforeseen financial difficulties, the team aims to apply for a loan of £70,000 that will ensure financial sustainability until the break-even. The loan will be paid back from the third year until the fifth, when the company will reach financial stability (Appendix 4). The initial capital plan is available graphically in Figure (16) and numerically in Appendix (1). The specific cash flow forecast is available in Appendix (2).

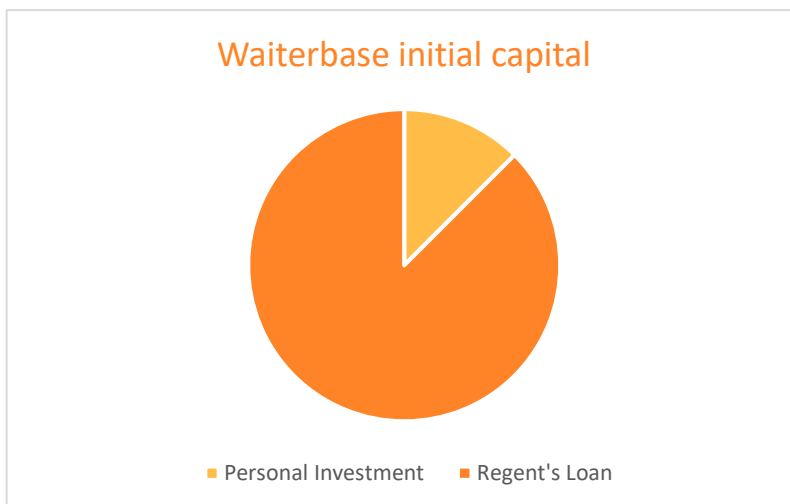


FIGURE 16, WAITERBASE INITIAL CAPITAL

SALES FORECAST

In Appendix (3), a sales forecast table is available for years 1 and 2. We assume that at the beginning our customers will try the platform in the free-mode, for this reason the sales in the first months will be relatively low. In the following months, thanks to the marketing advertisement, both downloads and sales will increase gradually. We estimated the rate of growth to be as presented in Figure (17). Because of the lack of competitors, we plan to reach in five years the 30% of venues and the 40% of waiters present on the market, in which 50% and 10% respectively are the expected paying customers .

| Growth rate | April | May | June | July | August | September | October | November | December | January | February | March |
|-------------|-------|------|------|------|--------|-----------|---------|----------|----------|---------|----------|-------|
| Year 1 | 0,01 | 0,02 | 0,04 | 0,06 | 0,07 | 0,07 | 0,07 | 0,08 | 0,09 | 0,10 | 0,19 | 0,2 |
| Year 2 | | 0,02 | | | 0,02 | | | 0,03 | | | 0,03 | |

FIGURE 17, THE SALES GROWTH RATE



EMPLOYEE FORECAST

In appendix (4) is available a financial costs forecast for the hiring in Year 1 and 2, while the full description of the plan in the first 5 years is collocated in the Operational plan, specifically in the Human Resources section. In the first year, because of the reduced numbers of customers, the team is sure to have the skills and possibility to manage the demand without resorting to additional employees. In Year 2 instead, the popularity of the platform will require new hiring specifically in the IT, financial, marketing and customer assistance sectors. The relatives' wages will have a significant impact on the costs for the company that will rely on the Regent's loan to sustain the inflows. **The loan is essential for Waiterbase to hire a sufficient amount of employees to guarantee a high-quality service.** The skilled team will work to create a sentiment of trust with the customers that will be the base for a successful future.

INCOME STATEMENT

In Appendix (5) is possible to consult the income statement where revenues, expenses and net profit had been forecasted monthly for Year 1 and quarterly for Year 2. For the first year the Start-Up will be hosted by Regent's University, so the rent cost had been considered just in Year 2. A broader explanation of the choice and the amount of the rent is presented in the Operational Plan. For what concerns the equipment, Waiterbase decided that the laptops will not be provided by the company but the managers and employees will get hold of them.

The marketing strategy will focus on underground advertisement, with an initial investment of £1,000 per month in the first year and £2,500 per month in the second year. Regarding the bills, Waiterbase forecast to spend monthly £21,98 on the landline phone, £30,30 on the broadband, £34,58 on the water, £58,00 on electricity and £56,00 on gas.

In the income statement, the monthly and quarterly interest rates had been calculated with the compound interest regime, where the monthly rate was 0,62% and the quarterly was 1,90%, where the year interest was 7,5%.



BALANCE SHEET

In Appendix (6) the balance sheet is provided, WaiterBase business year starts on April 1st and ends on March 31st. The table includes information about ownership interest, assets and liabilities for March 31st 2021 and March 31st 2022.

BREAK-EVEN ANALYSIS

In order to gauge the date of the break-even for the company, revenues and costs for five years had been forecasted considering the sales and the cost of labour, indeed it represents almost the whole amount of the costs. A numerical representation is provided in Appendix (7), while the graphical representation is provided in Figure (18). The break-even is forecast to be in the first trimester of Year 3. It is possible to visualize a significant increase from Year 2 that will lead to a forecasted revenue of £160.000 in Year 5 that will guarantee the possibility for the company to fully repay the Regent's loan, and assure a return to the investors.

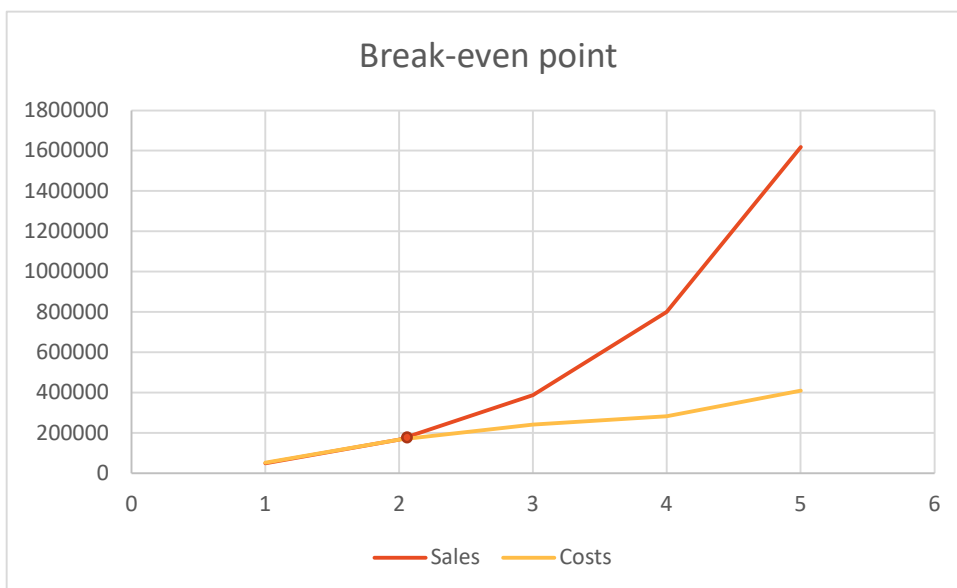


FIGURE 18, BREAK-EVEN POINT



BUSINESS RISKS AND SOLUTIONS

As a company that is starting out, WaiterBase is susceptible to numerous internal issues. By analyzing companies with a similar model, WaiterBase is able to apply learning skills to their structure and product. By doing this, we can minimize risks and implement solutions to ensure maximum success.

One example of a successful company that applies the sharing economy model is Uber. They have been able to offer a “greater personalization in value proposition (by responding) to the fragmentation of consumer preferences and the resultant demand for more-diverse offerings” (Kavadias et al, 2016, 4). This is made possible by the ability to collect large amounts of data, processing it, and giving users recommendations and alerts. Uber was able to change a system where it was previously thought to be standard instead of personalized.

The following figure presents the company characteristics that act as keys to innovation success:

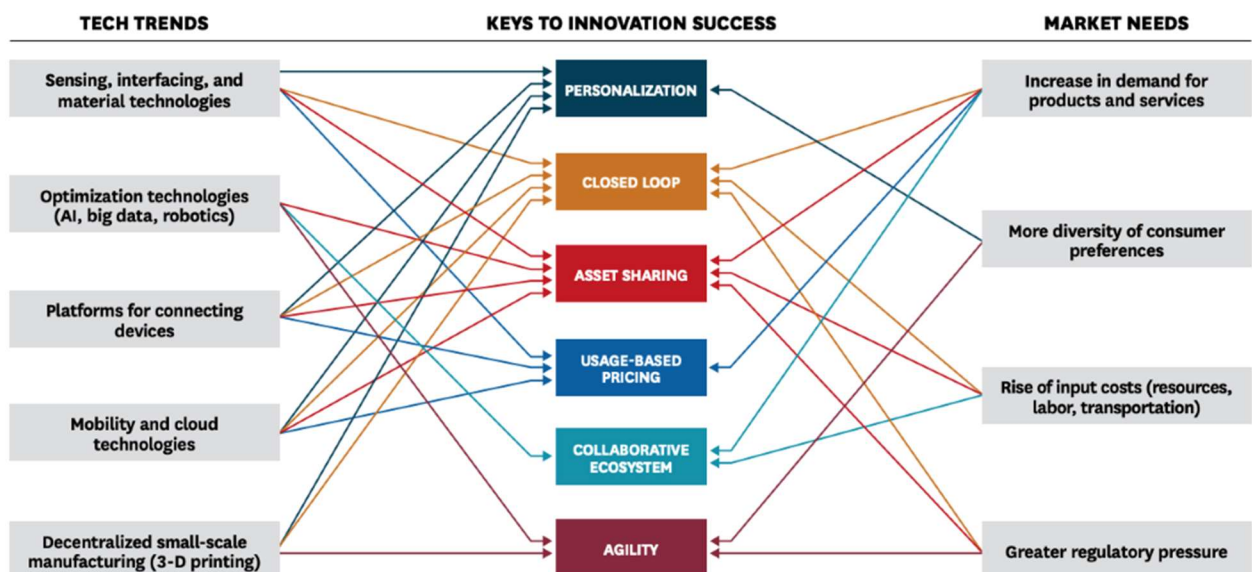


Figure 19, Keys to innovation success

A new venture has the “capability to mix and ‘remix’ or ‘orchestrate’ business model components or elements into business models” (Tece, 2018, 45) that match the specific business. As a company develops, they must consider international aspects where “cross-



border transfers and adaptations require sensing, seizing, and flexibility at the local and headquarters levels” (48).

The following figure explains how to adjust the company strategy towards the optimal characteristics:

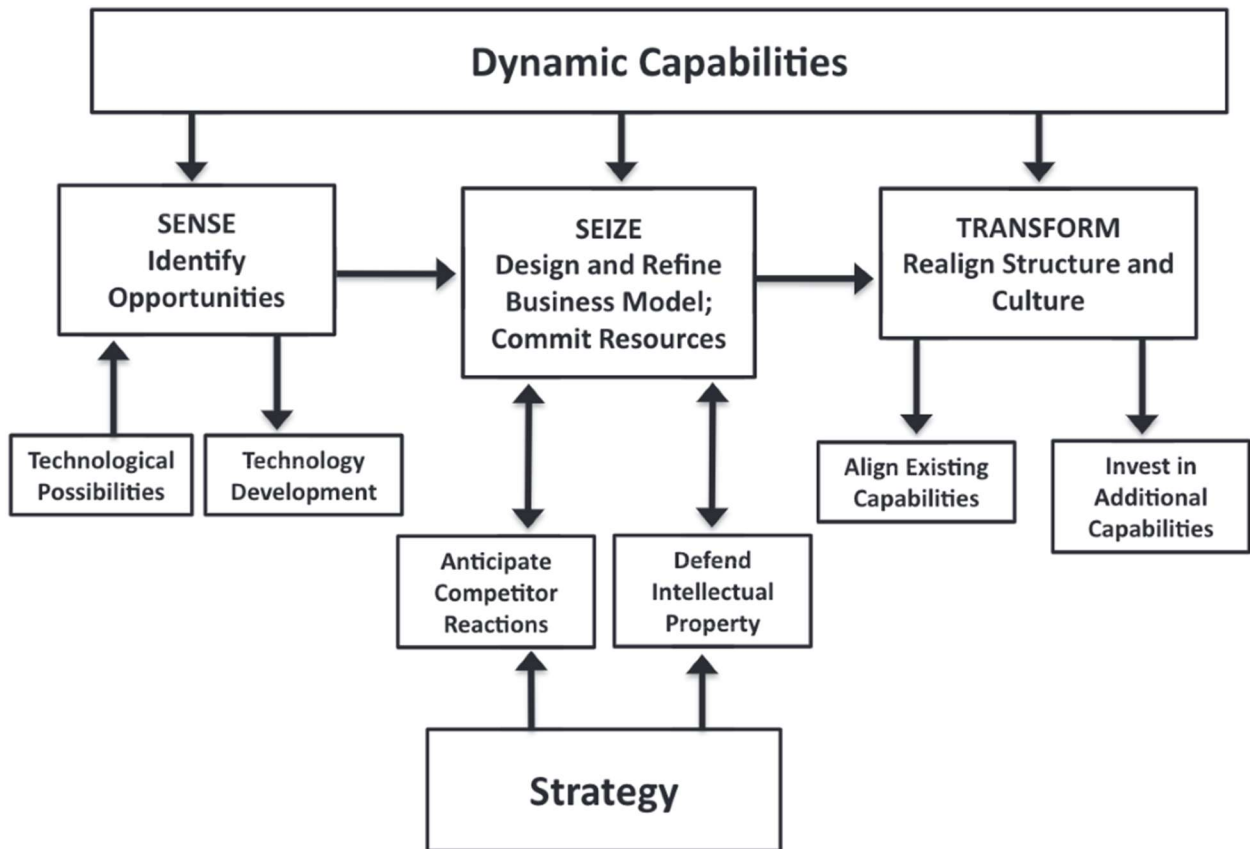


Figure 20, Company strategy

Analysts acknowledge that an obstacle to this business model, such as that of TaskRabbit and now WaiterBase, is ‘how can we create trust?’ Rougès and Montreuil explore ways such as: implementing a rigorous selection process, a feedback system, profiles, direct contact, a secure online payment system, and insurances (Rougès et al, 2014,14). However, while TaskRabbit was successful in their model and grew at an exponential rate, the executives noticed an issue — “the percentage of completed tasks posted to the service's auction house had leveled off and was beginning to decline. Individual tasks were seeing fewer bids, as well as a decline in completed and accepted tasks” (Isaac, 2015, 4). They looked through the feedback and realized that users posting had difficulty setting prices and ‘taskers’ took a long time finding jobs. The company had to completely remodel their system based on its



shortcomings. This evolution was eventually positive for the company, but it was only due to their analyzing feedback, swiftness in timing and ability to execute that they were successful. These tools may assist WaiterBase in determining a feasible and competitive strategy. Like Uber, our company can address each user's needs in a traditional market. Instead of the generic ways of looking for and posting jobs, the matching system allows each job to be personal and specific. As TaskRabbit has identified the participatory culture is rising, where people want to work for themselves. Our company can capitalize on this, but we will need to have dynamic capabilities and will need to be able to adapt quickly.

Our new venture offers a product with an untapped niche market, a database of employees and employers, and a matching system with available location services. Based on successful companies in the sharing economy, we can see that this idea is applicable to current conditions. In addition, the restaurant and event industry does not build on the use of technology. Considering these factors, the market will benefit from the existing model for transportation and handiwork and can change as our business grows and develops. A strategy that ensures WaiterBase's execution is imperative; therefore, our group would need to create industry metrics to see where our venture stands in performance. Specifically, we can survey those currently working in this environment. We will also be able to include the same integrations in our app as TaskRabbit or Uber. As shown previously, it is important to make the process as easy for customers as possible. By having each step in the app, the customer does not have to think about anything but a click of a button. This has proven to increase sales. After the company has been created and launch, we would need to make sure we are not complacent but rather constantly evolving, to the comments and feedback and make a quick turnaround in updates.

WaiterBase is able to apply the strategies summarized in Figure (21) to their next steps and take a preventative measure against preliminary issues.



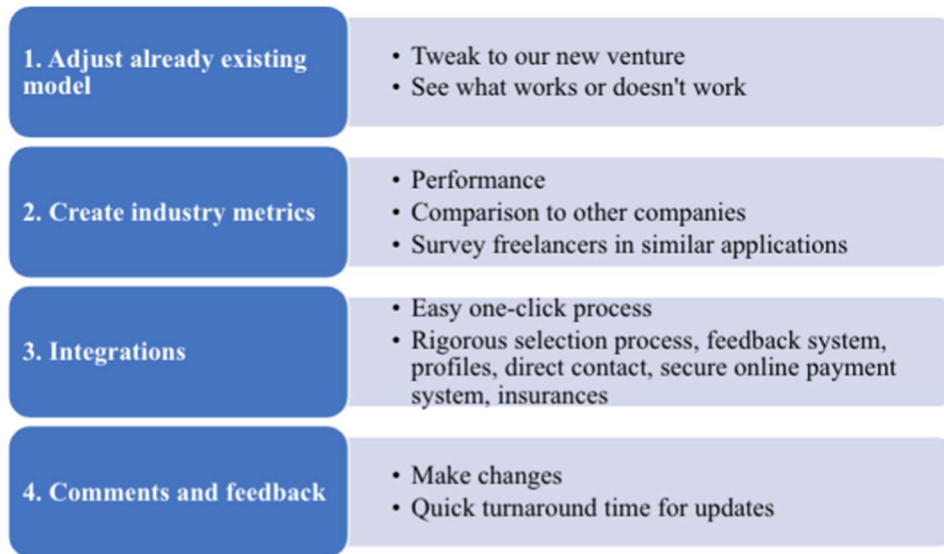


FIGURE 21, NEXT STEPS

In the future Waiterbase will consider to expand in other European cities which, because dimensions and work-pattern, are similar to London. Once the market is saturated, the team will evaluate to expand in different markets as for example in the cleaning service or in the music service.



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APPENDIX

APPENDIX 1 – THE START UP CAPITAL

Start-Up Capital

| | |
|-------------------------------|-------------|
| Total Start-Up Capital | £ 80.000,00 |
| Personal Investment | £ 10.000 |
| Bank Loan | £ 70.000 |
| Total Loans | £ 70.000 |
| Annual Interest Rate | 7,50% |
| Debit Maturity | 5 Years |

APPENDIX 2 – THE CASH FLOW STATEMENT

YEAR 1

| | April | May | June | July | August | September | October | November | December | January | February | March | Total |
|---|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|--------------|
| Operations | | | | | | | | | | | | | |
| Net profit | -14975,4 | -2940,8 | -1947,6 | -954,4 | -457,8 | -457,8 | -457,8 | 38,8 | 535,4 | 1032 | 5501,4 | 5998 | -9086 |
| Depreciation and Amortization | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in Accounts Receivables | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in Inventory | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in Account Payable | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 5208 |
| Change in Sales Taxes Payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Cash Flow from Operations | -14541,4 | -2506,8 | -1513,6 | -520,4 | -23,8 | -23,8 | -23,8 | 472,8 | 969,4 | 1466 | 5935,4 | 6432 | -3878 |
| Investing and Financing | | | | | | | | | | | | | 0 |
| Assets Purchased or Sold | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Investments Received | 10000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10000 |
| Change in Short-Term Debt | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 434 | 5208 |
| Change in Long-Term Debt | 70000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 70000 |
| Net Cash Flow from Investing & financing | 80434 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 80434 |
| Cash at Beginning of Period | 0 | 65892,6 | 63385,8 | 61872,2 | 61351,8 | 61328 | 61304,2 | 61280,4 | 61753,2 | 62722,6 | 64188,6 | 70124 | 0 |
| Net Change in Cash | 65892,6 | -2506,8 | -1513,6 | -520,4 | -23,8 | -23,8 | -23,8 | 472,8 | 969,4 | 1466 | 5935,4 | 6432 | 76556 |
| Cash at End of Period | 65892,6 | 63385,8 | 61872,2 | 61351,8 | 61328 | 61304,2 | 61280,4 | 61753,2 | 62722,6 | 64188,6 | 70124 | 76556 | 76556 |



YEAR 2

| | April - June | July-September | October - December | January - March | Total |
|---|------------------|------------------|--------------------|-----------------|-----------------|
| Operations | | | | | |
| Net profit | -17224,18 | -20753,18 | -5873,18 | -5873,18 | -49723,7 |
| Depreciation and Amortization | 0 | 0 | 0 | 0 | 0 |
| Change in Accounts Receivables | 0 | 0 | 0 | 0 | 0 |
| Change in Inventory | 792,9 | 777,9 | 777,9 | 777,9 | 3126,6 |
| Change in Account Payable | 1630 | 1630 | 1630 | 1630 | 6520 |
| Change in Sales Taxes Payable | 0 | 0 | 0 | 0 | 0 |
| Net Cash Flow from Operations | -14801,28 | -18345,28 | -3465,28 | -3465,28 | -40077,1 |
| Investing and Financing | | | | | |
| Assets Purchased or Sold | 0 | 0 | 0 | 0 | 0 |
| Investments Received | 0 | 0 | 0 | 0 | 0 |
| Change in Short-Term Debt | 1330 | 1330 | 1330 | 1330 | 5320 |
| Change in Long-Term Debt | 0 | 0 | 0 | 0 | 0 |
| Net Cash Flow from Investing & financing | 1330 | 1330 | 1330 | 1330 | 5320 |
| Cash at Beginning of Period | 76556 | 63084,72 | 46069,44 | 43934,16 | 76556 |
| Net Change in Cash | -13471,28 | -17015,28 | -2135,28 | -2135,28 | -34757,1 |
| Cash at End of Period | 63084,72 | 46069,44 | 43934,16 | 41798,88 | 41798,88 |



APPENDIX 3 – SALES FORECAST

YEAR 1

| WaiterBase 2020 | Apr. | May | June | July | Aug | Sept. | Oct. | Nov. | Dec. | Jan | Feb | Mar |
|-------------------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| UNIT SALES | | | | | | | | | | | | |
| Expected paying waiters | 19 | 37 | 75 | 112 | 131 | 131 | 131 | 149 | 168 | 187 | 355 | 373 |
| Expected paying venues | 3 | 6 | 12 | 19 | 22 | 22 | 22 | 25 | 28 | 31 | 59 | 62 |
| PRICE PER UNIT | | | | | | | | | | | | |
| Price per waiter (£) | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 | 10,00 |
| Price per venue (£) | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 | 100,00 |
| SALES | | | | | | | | | | | | |
| Waiters (£) | 186,60 | 373,20 | 746,40 | 1.119,60 | 1.306,20 | 1.306,20 | 1.306,20 | 1.492,80 | 1.679,40 | 1.866,00 | 3.545,40 | 3.732,00 |
| Venues (£) | 310,00 | 620,00 | 1.240,00 | 1.860,00 | 2.170,00 | 2.170,00 | 2.170,00 | 2.480,00 | 2.790,00 | 3.100,00 | 5.890,00 | 6.200,00 |
| Total sales (£) | 496,60 | 993,20 | 1.986,40 | 2.979,60 | 3.476,20 | 3.476,20 | 3.476,20 | 3.972,80 | 4.469,40 | 4.966,00 | 9.435,40 | 9.932,00 |



YEAR 2

| WaiterBase 2021 | April - June | | July - September | | October - December | | January - March | |
|-------------------------|--------------|------------------|------------------|------------------|--------------------|------------------|-----------------|------------------|
| UNIT SALES | | | | | | | | |
| Expected paying waiters | 1082 | | 728 | | 1092 | | 1092 | |
| Expected paying venues | 225 | | 225 | | 337 | | 337 | |
| PRICE PER UNIT | | | | | | | | |
| Price per waiter | £ | 10,00 | £ | 10,00 | £ | 10,00 | £ | 10,00 |
| Price per venue | £ | 100,00 | £ | 100,00 | £ | 100,00 | £ | 100,00 |
| SALES | | | | | | | | |
| Waiters | £ | 10.824,00 | £ | 7.280,00 | £ | 10.920,00 | £ | 10.920,00 |
| Venues | £ | 22.480,00 | £ | 22.480,00 | £ | 33.720,00 | £ | 33.720,00 |
| Total sales | £ | 33.304,00 | £ | 29.760,00 | £ | 44.640,00 | £ | 44.640,00 |



YEAR 2

| WAITERBASE 2021 | April - June | July-September | October - December | January - March | Total year |
|---------------------------------|--------------|----------------|--------------------|-----------------|--------------|
| FOUNDERS (5) | £7.500,00 | £7.500,00 | £7.500,00 | £7.500,00 | £30.000,00 |
| UK CUSTOMER SUPPORT | £ 5.267,00 | £ 5.267,00 | £ 5.267,00 | £ 5.267,00 | £ 21.068,00 |
| IT EMPLOYEE | £ 6.471,50 | £ 6.471,50 | £ 6.471,50 | £ 6.471,50 | £ 25.886,00 |
| FINANCIAL INTERN | £ 4.475,00 | £ 4.475,00 | £ 4.475,00 | £ 4.475,00 | £ 17.900,00 |
| Marketing associates (2) | £ 14.114,50 | £ 14.114,50 | £ 14.114,50 | £ 14.114,50 | £ 56.458,00 |
| Total people | 10 | 10 | 10 | 10 | |
| Total payroll | £ 37.828,00 | £ 37.828,00 | £ 37.828,00 | £ 37.828,00 | £ 151.312,00 |



APPENDIX 5 – INCOME STATEMENT

YEAR 1

| WAITERBASE 2020 | April | May | June | July | August | September | October | November | December | January | February | March | Total year |
|--|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| Sales revenue | £ 496,60 | £ 993,20 | £ 1.986,40 | £ 2.979,60 | £ 3.476,20 | £ 3.476,20 | £ 3.476,20 | £ 3.972,80 | £ 4.469,40 | £ 4.966,00 | £ 9.435,40 | £ 9.932,00 | £ 49.660,00 |
| OPERATING EXPENSES | | | | | | | | | | | | | |
| Salary | £ 14.038,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 41.538,00 |
| Rent | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - |
| Underground advertismnt | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 1.000,00 | £ 12.000,00 |
| Landline phone bill | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - |
| Internet bill | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - |
| Equipment (Firm phone) | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - |
| Gas, water and elecrticity bill | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - |
| TOTAL EXPENSES | £ 15.038,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 3.500,00 | £ 53.538,00 |
| OPERATING INCOME | £ -14.541,40 | £ 2.506,80 | £ 1.513,60 | £ 520,40 | £ 23,80 | £ 23,80 | £ 23,80 | £ 472,80 | £ 969,40 | £ 1.466,00 | £ 5.935,40 | £ 6.432,00 | £ 3.878,00 |
| Payroll taxes 0% | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - | £ - |
| Interest incurred | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 434,00 | £ 5.208,00 |
| NET PROFIT | £ -14.975,40 | £ 2.940,80 | £ 1.947,60 | £ 954,40 | £ 457,80 | £ 457,80 | £ 457,80 | £ 38,80 | £ 535,40 | £ 1.032,00 | £ 5.501,40 | £ 5.998,00 | £ 9.086,00 |

YEAR 2

| WAITER BASE 2021 | April - June | July-September | October - December | January - March | Total year |
|----------------------------------|--------------|----------------|--------------------|-----------------|--------------|
| Sales revenue | £ 33.304,00 | £ 29.760,00 | £ 44.640,00 | £ 44.640,00 | £ 152.344,00 |
| OPERATING EXPENSES | | | | | |
| Salary | £ 37.828,00 | £ 37.828,00 | £ 37.828,00 | £ 37.828,00 | £ 151.312,00 |
| Rent | £ 687,00 | £ 687,00 | £ 687,00 | £ 687,00 | £ 2.748,00 |
| Underground advertismnt | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 2.500,00 | £ 10.000,00 |
| Landline phone bill | £ 65,94 | £ 65,94 | £ 65,94 | £ 65,94 | £ 263,76 |
| Internet bill | £ 90,90 | £ 90,90 | £ 90,90 | £ 90,90 | £ 363,60 |
| Equipment (Firm phone) | £ 15,00 | £ - | £ - | £ - | £ 15,00 |
| Gas, water and electrcicity bill | £ 445,74 | £ 445,74 | £ 445,74 | £ 445,74 | £ 1.782,96 |
| TOTAL EXPENSES | £ 41.632,58 | £ 41.617,58 | £ 41.617,58 | £ 41.617,58 | £ 166.485,32 |
| OPERATING INCOME | -£ 8.328,58 | -£ 11.857,58 | £ 3.022,42 | £ 3.022,42 | -£ 14.141,32 |
| Payroll taxes - 20% | £ 7.565,60 | £ 7.565,60 | £ 7.565,60 | £ 7.565,60 | £ 30.262,40 |
| Interest incurred | £ 1.330,00 | £ 1.330,00 | £ 1.330,00 | £ 1.330,00 | £ 5.320,00 |
| NET PROFIT | -£ 17.224,18 | -£ 20.753,18 | -£ 5.873,18 | -£ 5.873,18 | -£ 49.723,72 |



APPENDIX 6 – BALANCE SHEET

| | Year 1 (£) | Year 2 (£) |
|-------------------------------------|--------------|-----------------|
| Cash | 76556 | 41798,88 |
| Accounts Receivable | 0 | 0 |
| Inventory | 0 | 0 |
| Total Current Assets | 76556 | 41798,88 |
| Long-terms Assets | 0 | 0 |
| Accumulated Depreciation | 0 | 0 |
| Total Long-Term Assets | 0 | 0 |
| Total Assets | 76556 | 41798,88 |
| Accounts Payable | 0 | 0 |
| Payoff Taxes Payable | 0 | 30262,4 |
| Short-term Debt | 5208 | 5320 |
| Total Current Liabilities | 5208 | 35582,4 |
| Long-term Debt | 70000 | 70000 |
| Total Liabilities | 75208 | 105582,4 |
| Paid-in capital | 10000 | 0 |
| Retaine earining | 0 | -9086 |
| Earnings | -9086 | -49723,7 |
| Total Owner's Equity | 914 | -58809,7 |
| Total Liabilities and Equity | 76556 | 41798,88 |



APPENDIX 7 - BREAK-EVEN STUDY

| Year | 1 | 2 | 3 | 4 | 5 |
|------------------|----------|----------|----------|----------|----------|
| Sales (£) | 49662 | 166493 | 387121 | 800259 | 1617941 |
| Costs (£) | 53538 | 166485 | 240518 | 282740 | 409481 |

