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# Business Plan 2022 - 2023

## Our mission

Provide unique and crafted ladies and men’s accessories made of silk and leather that are sourced locally and sustainably made.

## Our vision

The leading brand of quality silk and leather products that radiate value and enrichment of lives through their functionality and effortless style.

## Our values

Silk & Leather is founded on the core purposes of:

* Providing ethical practices
* Developing respectful relationships
* Providing quality products and service
* Creating joy in all that we do
* Enriching lives

## Our goals/objectives

* To be among the top five Queensland based accessory brands in the next five years
* To be the employer of choice for prospective retail staff in Queensland through staff training and development plans, competitive renumeration, and reputation
* To be a market leader in small business sustainability practices
* To be among the top 20 national accessory brands within the next 10 years

## Our history

The first Silk & Leather store opened in November 2018 at Garden City, Mt Gravatt. The location was chosen because of the proximity to middle and high-income earners, close to schools and public transport, and easy parking for families and prams. Following a successful first year, the owner decided to expand into other geographical areas, opening two new stores in Ipswich and Toowoomba. These stores have continued to grow the brand and meet targets due to the increased business opportunities in South East Queensland driven primarily by overseas and interstate migration into this region and products that are unique and branded. The business has met its short-term targets, but is facing increasing competitive pressures from overseas-based businesses and increasing rental price pressures.

## Our market opportunity

Currently, Silk & Leather has three stores in shopping centres based in South East Queensland. There is a head office in Toowoomba, based out of a shared office space, which is available for staff use. There is a receptionist who is a shared resource and rooms are booked as needed. Senior managers all work from home, but can use this office space as required. Our customers are a mixture of both urban and country backgrounds, as the aesthetic appeals to customers who want to purchase natural and unique designs, like to know the supply chain of the products including where the materials are produced, who made them and how they arrived at the store. Of late, driven by changing customer shopping preferences and COVID-19 driven lockdowns, there has been a big increase in customer requests for online access to our products.

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| The problem | Limited access to purchasing online. People currently must call or email the stores. This makes it difficult for both staff and customers, and the company risks losing potential sales as well as loss of valuable time. |
| Our solution | Create an online store with available products on the site. |
| The problem | Customers these days are very aware of ethical sourcing guidelines. Many customers are requesting information about where the products are sourced from, and how they are made. They have clearly indicated that they would only purchase products that are ethically sourced. |
| Our solution | Provide information regarding the supply chain (roadmap/story of the product). Include this for each product on the website and in store information is available on request.Undertake a review of current suppliers to see if they follow ethical practices. May need to consider new suppliers if current suppliers are deemed unfit from an ethical point of view.  |

## Our target market

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| The customers we aim to sell to | 25 to 60 year old male and females. Most instore shoppers are female who shop for themselves, their partners, and families for gifts. An online store will open the market to regional shoppers, people who are too busy to attend during opening hours, and people who do not like to go to shopping centres.Customers are usually middle-income earners and above who are environmentally conscientious, believe in supporting local businesses, and ethical practices. |

## Our finances for the year ahead

### Retail stores

There are currently three stores. These stores have been profitable, but it is expected that their revenue will increase due to the implementation of an online presence, including increased marketing. The goal for the nominated financial year for each store is to increase gross profit by 23% annually overall based on increased marketing activities and targeted inventory. Refer to budget projections document for further information.

### Online

Estimate of online sales are based products ranging in price from $50 - $200 averaging at $120.

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| --- | --- | --- | --- | --- | --- |
| Forecast expenses and profit(If known) |  | **Quarter 1** | **Quarter 2** | **Quarter 3** | **Quarter 4** |
| **Expenses** | **$20,000** | **$22,000** | **$25,000** | **$34,000** |
| **Revenue** | **$20,000** | **$40,000** | **$65,000** | **$90,000** |
| Expected sources of revenue | Online sales: handbags, belts, scarves, watches, jewellery, pillows, hats as well as manchester items such as bedsheets, towels, etc.Incremental increases in online activity/sales have been included for the four quarters |
| Expected expenses | **1st quarter:** website/search engine optimisation (SEO), ecommerce, limited stock purchases initially to promote what is in stores already**2nd quarter:** increase inventory as sales increase, courier/transport increases**3rd quarter:** stage two marketing activities, stock increases **4th quarter:** stock reflects sales, CRM/social media promotions |

## Our workforce

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| Total employees | 24 |
| Full-time | **CEO:** marketing, strategy, networking, branding, partnerships**Business Manager:** finance, legal (leasing and service agreements), supplier contracts**Operations Manager:** stock and inventory, HR, quality control**Store Managers (x 3):** customer service, manage store staff, rosters, retail operations**Online Store Manager:** ecommerce, customer service, couriers, maintain webpage and inventory |
| Part-time | Payroll OfficerFrontline Retail Staff (x6) |
| Casuals | Frontline Retail Staff (x10)Seasonal staff have not been included as there is a high degree of variability due to changing economic conditions and lock downs |

## Our key people

The following are key positions in the organisation.

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| Name | Selina Starr |
| Position | Business Owner/CEO |
| Skills/value | Selina has over 15 years of retail experience working as a product manager for Coles/Myer group. Strong IT background and ecommerce skills. Her role gave her valuable insights into retail businesses, and it was her long-term dream to own her own business and use the skills she developed while working towards her business.  |
| Name | Jason Smith |
| Role | Business Manager |
| Skills/value | Jason is an ex-corporate banker who has worked as a relationship manager for the Commonwealth Bank for 15 years. He has good financial management skills and understands business drivers very well. He also has a good understanding of the legal aspects of running an operation, and supplier relationships.  |
| Name | Ebony Hendrix |
| Role | Operations Manager  |
| Skills/value | Ebony was the operations manager for a small boutique call centre located at Greenslopes in Brisbane. Ebony has in depth experience in HR operations and workforce planning. She was in charge of the quality control function while at the call centre and has a business degree specialising in logistics.  |
| Name | Shannon Sarsfield |
| Role | Store Manager, Mt Gravatt |
| Skills/value | Shannon has been with the business ever since it started operations and worked her way up to being the store manager for the flagship Mt Gravatt store. She excels in customer service and has strong leadership and people management skills  |
| Name | Dusty Samford |
| Role | Store Manager, Ipswich |
| Skills/value | Dusty joined the business as a retail assistant and worked his way up to store manager. Dusty is motivational and has positive influence on all staff, contributing to the overall staff culture. He also is innovative and contributes to ideas across business functions. He has a business degree from Swinburne University and is IT savvy. |
| Name | Cristopher Takagawa |
| Role | Store manager, Toowoomba |
| Skills/value | Christopher was hired to run the Toowoomba store recently. Originally from Japan, he is multilingual and has a degree in design and fashion. He has managed a giftware retail shop in Springfield prior to joining Silk & Leather. He has strengths in planning and sales, a strong eye for detail, and connections with various supply chains. |

## Our next steps

The following goals are to drive operational and commercial decision over the financial year. They are based on SMART goals, which are **s**pecific, **m**easurable, **a**chievable, **r**elevant and **t**ime bound.

| Goal | Online store commences trading start of financial year |
| --- | --- |
| ActionsTo achieve goal | Research various ecommerce platformsMarket research, payment gateways, recruit for position, launch of platform, diversity of stock, inventory to match target market |
| Deadline | 1/07/2022 |
| Goal  | Online business to be self-sustaining  |
| Actions To achieve goal  | Marketing strategies - existing and new customersPricing to match market, efficient systems, establish policies and make transparent (promote sustainability, trends, etc.)Break even by 31 March, 2023 |
| Deadline | 30/06/2023 |
| Goal  | Marketing and branding based on new supply chains and online store |
| ActionsTo achieve goal | All suppliers have an accountable and ethical roadmap. This is readily available to customers. Communicate this goal to customersReview image/logos/mission. May consider rebranding to match this goal |
| Deadline | 30/06/2023 |
| Goal  | New HR policy and procedures to reflect company mission |
| ActionsTo achieve goal | InductionProfessional development program Promote HR policies, workplace culture, etc. |
| Deadline | 30/06/2022 |

## Our inspirations

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| Business Transparency | https://www.inditex.com/ |
| Ethical Supply Chains | https://goodonyou.eco/what-is-a-clothing-supply-chain/ |
| Ethical Businesses | https://www.thegoodtrade.com/features/online-ethical-marketplaces |