

Sample Web Design Company Business Plan

1.0 Executive Summary.

Robid Inc. is a small firm located in Kapolei, Hawaii. We are a start-up company offering web and internet services to small businesses and institutions in Kapolei City. We offer services in website design, development, hosting, marketing, maintenance, and analysis.

We have ventured into the web service industry to offer superior and unique services to small businesses and institutions. Our experience and expertise in web sales and e-commerce gives us a backing to provide solutions that are currently lacking in the market.

There is an all-time high demand for web development and marketing for small businesses with signs of rising further. Interestingly, few web developers have taken advantage of this opportunity, leaving the industry with no dominant participants.

The high costs of the projects and the focus on bigger companies and institutions could be the contributing factor as to why this market remains untapped. We have a system that will reduce the project costs dramatically giving us the opportunity to offer quality services at reduced costs.

We have prepared this business plan to highlight some of the aspects of our business and systems. It details the market demands and growth, and outlines the projected profit margins and cash flow over the next four years.

1.1 Objectives

- To generate revenues of \$300,000 by the end of our first year of operations.
- To attain a net profit of 30% in the first year and 40% in the second year.

- To have a 70% gross margin by the end of the first year.

1.2 Keys to Success

- We will offer quality web services to small businesses and institutions at affordable prices.
- To build and tailor our services for the small businesses.
- We will establish alliances and partnerships with Internet service providers and companies in computer consultancy.

1.3 Mission

Our mission is to provide accessible, and streamlined web and Internet services to small businesses and institutions. Using our system, we will offer various types of web solutions that will be tailored to serve the changing needs of our clients.

2.0 Company Summary

Robid Inc. is a company still at the start-up stage. We will provide quality, affordable and high-end web services to small businesses and institutions. We will also help our clients improve their existing marketing and web services. We have established a system that will help us in web development, marketing, hosting and maintenance to offer the high-end services the bigger business get.

2.1 Company Ownership

Robid Inc. has been incorporated and has its offices and facilities in Kapolei County, Hawaii as of September 30, 2013. The company is co-owned by Richard Walker, the chief executive officer

and David Hart, the Information Technology Director.

2.2 Start-up Summary

We have a well-thought out start-up plan that will help us move forward with proper marketing tools, equipment and personnel get us started. The owners have an initial cash investment of \$50,000 each to acquire office furniture, software, and computers. To make the kick-off of our operations faster, the owners have also dedicated a total of 4,000 working hours until the business is established.

We require a total of \$95,000 that will help us with the capital and enable us run for the first months of operations. The money will fund employees' initial salaries and equipment. It will also cover our expenses until our cash flow is stable. We have secured a loan of \$100,000 from the Kapolei Commercial Bank to supply the capital needed.

2.3 Company Location and Facilities

Robid Inc. has leased a commercial office space at the Kapolei business center for three years with an option of renewal within sixty days. The space can accommodate fifteen workstations for all our employees.

The Kapolei business center is located within the Kapolei city, a walking distance from the county headquarters.

3.0 Services

Robid Inc. will be a provider of internet service solutions for small businesses and institutions

within Kapolei. Our focus will be on website services. We will offer the following services:

- Web development and design.
- Web marketing.
- Analysis.
- Web hosting and maintenance

The new services will be additional to our range of existing services which include:

- Developing e-commerce for businesses.
- Renovation and upgrading of websites.
- Maintaining websites.
- Website training and seminars.
- Constructing databases.

Once we are established, we will also offer services in the following areas within the first three years of operations:

- Installing Local Area Network for small businesses.
- Website marketing.
- Intranet set-up and installation.

3.1 Service Description

Web development and design: Robid Inc. will offer a unique and customized web experience to each client's needs. We will model our designs to the caliber the large organizations get.

Web analysis and marketing: After building or upgrading a client's website, we will offer them these services for free. We have the expertise to test and analyze websites using the set standards. We will test the site's functionality, scalability, main customer base and its ease of use. We will then give the client a detailed report with expert recommendations.

Web-hosting and Maintenance: We have been offering these two services and will use them to gain residual income as we venture into a new field.

3.2 Sales Literature

Robid Inc. currently has a sales brochure containing all the pertinent information about the company and its services. We have included our company's strong history, pictorials and pricing

guidelines. It also has some background of the Internet and the rapid growth the industry has realized over the last few years and how suitable it is for small businesses and institutions.

We have an active website (www.robidinc.com) that has all the information about the company and other helpful resources that small businesses can use. The website has regular updates and gives room for interactive sessions with our clients.

The company will also produce fliers and create a mailing list for the targeted customers. The fliers will help sell our services to businesses that we have not been in touch with while the mailing list will help us to maintain contact with the established customers. We will also send soft copies of our brochures with the emails.

3.3 Fulfillment

Besides our existing team of experts in web-hosting and maintenance, we will hire professionals in web development and design to ensure proper handling of clients' needs. Our experts will be divided into teams of three to work better on different client requirements and as part of collective learning. We will have a senior developer reporting to the IT Manager and will oversee all the groups' operations.

We have also formed alliances with industry leaders to ensure our services are of superior quality. We are working on more partnerships with an aim of lowering down our costs further and giving our consumers the benefits as well. It is one of the ways we are hoping will set us apart from our competitors.

3.4 Technology

Technological innovations influence most of our operations. We use the latest software and hardware components in all our office equipment and machinery. We intend to invest in additional tools to help us meet the customers' requirements more efficiently. We will acquire data storage facilities that can handle large volumes and latest scanning machines.

We are in the initial stages of reaching an agreement with one of the major software vendors to license an automatic upgrade of our new software.

3.5 Future Services

Installation of Local Area Network (LAN) services: With the increasing number of small businesses using computers and the Internet as necessary office tools, there is an urgent need to meet their new demands. We will help the businesses from purchasing to configuring the computers

and educating their employees on the operations.

Installation of intranet set-up: We will help our clients implement their websites for business use. We will include in their websites catalogs for their products, employees and accounting information. These will only be accessible to the client's management.

Marketing: We will offer our targets an aggressive package that they will find difficult to turn down. We will use results as the basis for the fees and the client will be at liberty to decline payment if they are not happy. Our allies will help achieve this initiative through their websites and other publications.

4.0 Market Analysis Summary

Robid Inc. will focus on small businesses and institutions that are looking to develop or upgrade their web presence. Our approach will be step-by-step; starting with simple, basic website and improving it to meet their changing needs.

Our service will bring on board any small business that needs an internet presence, but we will concentrate more on those that need more details about their operations online. Such companies will most likely go for all or some of the following services:

- A shopping cart or e-commerce.
- Dynamic features and content.
- Aggressive marketing of products online.

4.1 Target Market Segment Strategy

We will focus our marketing efforts towards attracting institutions and small businesses. We reached this decision after a careful market analysis and identifying the needs of this market segment. The high demand for web services by this market is an opportunity that will not necessitate expensive marketing to attract.

Most businesses are migrating to the Internet at a faster rate. Small businesses have also made online presence a top priority that creates a high demand for our services.

4.3 Market Trends

The most notable trend in the industry currently is the mass migration online. Small

businesses are either waiting to migrate or are looking to upgrade their already existing sites to suit the rapidly changing industry.

Major businesses and companies are also taking their daily operations to the internet. Office tasks and general business operations have moved to the web, and we expect more to develop out of this.

4.4 Market Growth

Our target market has expanded and grown at a rapid rate to cope up with the changing technologies. We have put together some evidence to support this exponential growth:

- Small businesses of one to 150 employees were spending around \$50 billion in 2010 to either gain Internet presence or upgrade their efforts. In 2013, the number was up by \$25 billion.
- There is a rise in the number of Internet users at home and small businesses. In 2010, a combined 26% of Internet users were in this category compared to the 38% in 2013.
- The number of Internet users in the U.S has grown from 300 million in 2010 to 450 million in 2013.
- Moreover, e-commerce now generates a revenue of \$10 trillion, rising from \$6 trillion in 2010.

4.5 Service Business Analysis

Companies in the web development and service industry vary with size and nature of services. Robid Inc. will provide a unique alternative that the existing providers do not have. The bigger web development firms ignore our target market making it unique. We will start with this market before moving to attract the larger businesses with our unique services.

4.6 Main Competitors

- Peetle Graphics: It is located 5 miles from Kapolei and provide graphic and web development services. They have a loyal and established customer base. However, the company has only two employees; Mr. John Peetle and his son Peter. They work from home and are unable to meet all the needs of the market.
- Create Innovations: They are located 10 miles from Kapolei and offer web development and design services to small businesses in Kawai and neighboring towns. They have a fairly wide customer base due to their large area of operation. They offer services to small businesses but charge highly, which does not go well with most of their clients.

- Wackyweb Inc.: It is located approximately 30 miles from our offices and offer services in marketing and web development. They have been in existence for over seven years and have a talented team of programmers and developers. Their pricing is, however, too high for the small and medium-sized businesses that they are now trying to attract.

4.7 Business Participants

Three types of firms make up the web services industry:

- Large companies: They generate high revenue and serve top companies. There are a few dominating participants in this category worldwide.
- Then there are firms that offer proprietary, all-in-one pre-fabricated web services to any company at low costs. There are a few dominating companies in this category that have other sources of revenue and only offer web services as part of their customer relations.
- Small firms: This is where Robid Inc. belongs. The companies in this category are young and small and usually target small-sized businesses.

4.8 Market Segmentation

The nature of our services and our location enables us to serve small businesses and institutions no matter their location. We plan to expand to other cities but will in the meantime use our communication technologies to get in touch with customers in other parts of the country. We, however, expect a greater percentage of our market to come from Kapolei.

5.0 Strategy and Implementation Summary

At start-up, Robid Inc. will focus all the sales and marketing efforts to the city of Kapolei and its environs.

The company will market itself as web services and internet providers devoted to giving the small businesses a taste of what the top companies get. We will also target the small institutions and other companies that are keen on giving their services a web presence.

5.1 Competitive Advantage

The fact that our services target small businesses gives us an edge over our competitors. By

setting up strategic alliances with some of the web and Internet-related companies, we will offer our customers efficient and affordable web services that will meet their demands.

Our lead information technologist and co-owner, David Hart has a vast experience in commercial web design and development. His expertise will be an asset to Robid Inc.

5.2 Marketing Strategy

We will approach and follow up all the prospective clients with a clear and thorough marketing strategy. We will give them all the details about the web and Internet so that they do not get confused and intimidated along the way.

5.3 Marketing Programs

We intend to join the following organizations as part of our initial marketing programs:

- Hawaii Chamber of Commerce.
- Kapolei Chamber of Commerce.
- The Ranier partnership.

We will conduct a large-scale marketing project in our first month of operations which will include:

- Advertising on various local radios.
- We will place adverts on various business publications and journals with wide readership.
- We will put up billboards on the major city highways.

5.4 Pricing Strategy

Robid Inc. will establish a pricing system to guide our clients on the nature of the services and the corresponding prices. Since we will be dealing with a market segment that tries to reduce costs, we will charge our services on an hourly basis. It will make the clients understand the services that will most likely cost them more.

5.5 Promotion Strategy

Since our target market is distinguishable, we will use a direct approach in marketing our services. We will use yellow pages directories to place our adverts. Robid Inc. will also put feature adverts in business publications with a wide audience like the Hawaii Business Journal.

We will also send out direct e-mails targeting our potential clients with the company's offerings. Mass media adverts in radios, television, and billboards will add to these marketing strategies.

The company's co-owners are experts in their various fields and often get invitations to speak in seminars. They will use these opportunities to market Robid Inc. as the choice for businesses that are looking for visibility online.

5.6 Sales Strategy

We will sell service, value and quality to our prospective clients. We will need to convince them that having an online presence is a worthy course for their businesses. We have a database that has proven useful in getting new business contacts and establishing relationships.

Our customer care team will use the list to call the owners, calling them by their first names and having an informal conversation. The caller then convinces the business owner of the importance of having a website.

5.7 Strategic Alliances

We have established four strategic partnerships with two Internet service providing companies and another two with computer consultancy firms. We intend to use the alliances to attract more businesses and referrals from our competitors.

6.0 Management Summary

Robid Inc. is a partnership between two individuals who have equal shares in the company. They will all serve as directors. Richard Walker attended Gareth college and earned his Associates Degree in Management. He has completed various courses in business and management with hands-

on experience in various positions. He has over seven years of experience in sales and another two as a web-related commercial manager. He will serve as the executive officer of the company.

David Hart has vast experience in web development and strategies. He has over five years in web sales and has attended various courses and seminars on web development. He previously owned a web designing company prior to the formation of Robid Inc. He will serve as the company's director of IT and in charge of innovations.

6.1 Organizational Structure

Robid Inc. will be managed by the co-owners. They will conduct recruitments for important positions like office managers, accountants, marketing, customer care and human resource.

When the company is well established, we plan to have a board of directors which will consist of professionals drawn from various fields related to the industry. In the meantime, Richard Walker will be in charge of all the finances while David Hart will take care of web services and employee management.

6.2 Management Team Gaps

The two directors will need management support in marketing and business development departments. They feel that their prior experience did not need these much of these departments. The company will contact an accounting and a public relations firm to assist in setting up the two departments.

6.3 Personnel Plan

We will implement a system that will focus developing a team and will consist of three web developers and two sales people. The web development team will have one highly-qualified staff while the other two may be lesser-qualified. The team will work on different projects as provided by the sales people. The senior developer will report to the IT Director and will ensure the junior developers' work is of high-quality.

7.0 Financial Plan

Start-up

Requirements

Start-up

Expenses

Business Cards	\$460
Phone Line Install (Two Lines)	\$1150
Computer	\$2200
Monitor	
InfoUSA	\$4000
Database	
Office Equipment	\$2580
Dedicated Server	\$1150
Setup Fee	
Membership Fees	\$1600
DSL Setup and Install	\$1350
Phones	\$1160
Total Start-up	\$22,650
Expenses	

Start-up Assets

Cash Required	\$17,000
Other Current	\$27,650
Assets	
Long-term Assets	
Total Assets	\$34,650

Total	\$97,800
Requirements	

Start-up Funding

Start-up Expenses to Fund	\$2,650
Start-up Assets to Fund	\$24,650
Total Funding Required	\$27,300

Assets

Non-cash Assets from Start-up	\$7,650
Cash Requirements from Start-up	\$17,000
Additional Cash Raised	0
Cash Balance on Starting Date	\$17,000
Total Assets	\$44,650

Liabilities and Capital

Liabilities

Current Borrowing	
Long-term Liabilities	\$20,000
Accounts Payable	
Other Current Liabilities (interest-	

free)

Total Liabilities	\$20,000
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Capital

Planned Investment

David Hart	\$25,000.00
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Richard Walker	\$25,000.00
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Additional Investment

Requirement

Total Planned	\$7,300
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Investment

Loss at Start-up	(\$2,650)
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(Start-up Expenses)

Total Capital	\$44,650
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Total Capital and	\$24,650
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Liabilities

Total Funding	£97,500
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7.1 Assumptions

We have prepared this plan with an assumption that the economy will remain steady with the standard number of players in the industry. We also hope that there will be less interference from the government and the industry regulators.

7.2 Projected Balance Sheet

The nature of our balance will largely depend on our sales during our first five months of operations.